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As confidentially submitted to the Securities and Exchange Commission on February 13, 2018

Registration No. 333-

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

Confidential Draft Submission No. 1
Form S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Berry Petroleum Corporation
(Exact Name of Registrant as Specified in its Charter)

Delaware	1311	81-5410470
(State or other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(IRS Employer Identification Number)

5201 Truxtun Ave., Bakersfield, California 93309
(661) 616-3900
(Address, including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal Executive Offices)

Arthur T. Smith
President and Chief Executive Officer
5201 Truxtun Ave., Bakersfield, California 93309
(661) 616-3900
(Name, Address, including Zip Code, and Telephone Number, including Area Code, of Agent for Service)

Copies to:
Douglas E. McWilliams
Sarah K. Morgan
Vinson & Elkins L.L.P.
1001 Fannin, Suite 2500
Houston, Texas 77002-6760
(713) 758-2222

Approximate date of commencement of proposed sale to the public:
As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee(3)
Common Stock, par value $0.001 per share	$	$

(1) Includes common stock issuable upon exercise of the underwriters' option to purchase additional common stock.
(2) Estimated solely for the purpose of calculating the registration fee pursuant to rule 457(o) under the Securities Act of 1933, as amended.
(3) To be paid in connection with the initial filing of the registration statement.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. The securities described herein may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities, in any state or jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated , 2018

Shares

Berry Petroleum Corporation

Common Stock

This is the initial public offering of the common stock of Berry Petroleum Corporation, a Delaware corporation. We are selling shares of our common stock, and the selling stockholders are selling shares of our common stock. We will not receive any proceeds from the shares of our common stock sold by the selling stockholders.

We anticipate that the initial public offering price will be between $ and $ per share. We intend to apply to list our common stock on the under the symbol " ."

We have granted the underwriters the option to purchase up to an additional shares of common stock on the same terms and conditions set forth above if the underwriters sell more than shares of common stock in this offering.

We are an "emerging growth company" as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, are eligible for reduced reporting requirements. Please see "Prospectus Summary—Emerging Growth Company Status".

Investing in our common stock involves risks. Please see "Risk Factors" beginning on page 24 of this prospectus.

	Per share	Total(1)
Public offering price	$	$
Underwriting discount(1)	$	$
Proceeds to Berry Petroleum Corporation (before expenses)	$	$
Proceeds to the selling stockholders	$	$

(1) We refer you to "Underwriting (Conflict of Interest)" beginning on page 152 of this prospectus for additional information regarding underwriting compensation.

The underwriters expect to deliver the shares on or about , 2018

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2018

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You should rely only on the information contained in this prospectus and any free writing prospectus prepared by us or on behalf of us or to the information which we have referred you. Neither we, the selling stockholders nor the underwriters have authorized anyone to provide you with information different from that contained in this prospectus and any free writing prospectus. We take no responsibility for, and can provide no assurance as to the reliability of, any other information. We, the selling stockholders and the underwriters are offering to sell shares of common stock and seeking offers to buy shares of common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the common stock. Our business, financial condition, results of operations and prospects may have changed since that date. This prospectus contains forward-looking statements that are subject to a number of risks and uncertainties, many of which are beyond our control. Please see "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements."

Through and including , 2018 (the 25th day after the date of this prospectus), all dealers effecting transactions in our shares, whether or not participating in this offering, may be required to deliver a prospectus. This requirement is in addition to the dealers' obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

BASIS OF PRESENTATION

In 2013, LINN Energy, LLC ("LINN Energy") and LinnCo, LLC (collectively, the "Linn Entities") acquired Berry LLC for LinnCo, LLC shares and assumed debt with an aggregate value of $4.6 billion. A severe industry downturn coupled with the Linn Entities and Berry LLC's high leverage and significant fixed charges, led the Linn Entities, and consequently, Berry LLC, to initiate petitions for reorganization in the U.S. Bankruptcy Court (the "Bankruptcy Court") for the Southern District of Texas (collectively, the "Chapter 11 Proceeding") on May 11, 2016. In anticipation of emergence, Berry Corp. was formed for the purpose of having all the membership interests of Berry LLC assigned to it upon Berry LLC's emergence from bankruptcy. On February 28, 2017 (the "Effective Date"), all of Berry LLC's outstanding membership interests were transferred to Berry Corp., and Berry LLC emerged from bankruptcy as a wholly-owned subsidiary of Berry Corp., separate from the Linn Entities. Upon our emergence, we adopted fresh-start accounting, which, with the recapitalization described above, resulted in Berry Corp. being treated as the new entity for financial reporting. Unless otherwise noted or suggested by context, all financial information and data and accompanying financial statements and corresponding notes, as contained in this prospectus, (i) on or prior to the Effective Date, reflect the actual historical results of operations and financial condition of Berry LLC for the periods presented and do not give effect to the Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry LLC (the "Plan") or any of the transactions contemplated thereby or the adoption of fresh-start accounting, and (ii) following the Effective Date, reflect the actual historical results of operations and financial condition of Berry Corp. on a consolidated basis and give effect to the Plan and any of the transactions contemplated thereby and the adoption of fresh-start accounting. Thus, the financial information presented herein on or prior to the Effective Date may not be comparable to our performance or financial condition after the Effective Date.

The financial information and certain other information presented in this prospectus has been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column in certain tables in this prospectus. In addition, certain percentages presented in this prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers, or may not sum due to rounding.

INDUSTRY AND MARKET DATA

The market data and certain other statistical information used throughout this prospectus are based on independent industry publications, government publications and other published independent sources. Although we believe these third-party sources are reliable as of their respective dates, neither we, the selling stockholders nor the underwriters have independently verified the accuracy or completeness of this information. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section entitled "Risk Factors." These and other factors could cause results to differ materially from those expressed in these publications.

TRADEMARKS AND TRADE NAMES

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business. This prospectus may also contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Our use or display of third parties' trademarks, service marks, trade names or products in this prospectus is not intended to, and does not imply, a relationship with, or endorsement or sponsorship by us. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks, service marks and trade names.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. You should read the entire prospectus carefully, including the information under the headings "Risk Factors," "Cautionary Note Regarding Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and the notes to those financial statements appearing elsewhere in this prospectus. The information presented in this prospectus assumes an initial public offering price of $ per share (the mid-point of the price range set forth on the cover page of this prospectus) and, unless otherwise indicated, that the underwriters do not exercise their option to purchase additional shares of common stock. You should read "Risk Factors" for information about important risks that you should consider carefully before investing in our common stock.

Except with respect to historical financial information and data and accompanying financial statements and corresponding notes or as otherwise noted or the context requires otherwise, when we use the terms "we," "us," "our," the "Company," or similar words in this prospectus, (i) on or prior to the Effective Date, we are referring to Berry LLC, and (ii) following the Effective Date, we are referring to Berry Corp. and its subsidiary, Berry LLC, as applicable. When we refer to "our predecessor company," we are referring to Berry LLC as it existed on or prior to the Effective Date. This prospectus includes certain terms commonly used in the oil and natural gas industry, which are defined elsewhere in this prospectus in "Annex A: Glossary of Oil and Natural Gas Terms."

Our Company

We are a value-driven, independent oil and natural gas company engaged primarily in the development and production of conventional reserves located in the western United States, including California, Utah, Colorado and Texas. We target onshore, low-cost, low-risk, oil-rich basins, such as the San Joaquin basin of California and the Uinta basin of Utah. The Company's assets are characterized by:

- high oil content with production consisting of approximately 82% oil;
- long-lived reserves with low and predictable production decline rates;
- an extensive inventory of low-risk development drilling opportunities with attractive full-cycle economics;
- a stable and predictable development and production cost structure; and
- favorable Brent-influenced crude oil pricing dynamics.

Our asset base is concentrated in the San Joaquin basin in California, which has over 100 years of production history and substantial remaining original oil in place. We focus on conventional, shallow reservoirs, the drilling and completion of which are low-cost in contrast to modern unconventional resource plays. Our decades-old proven completion techniques include cyclic or continuous steam injection ("steamflood") and low-volume fracture stimulation.

We focus on enhancing our production, improving drilling and completion techniques, controlling costs and maximizing the ultimate recovery of hydrocarbons from our assets, with the goal of generating top-tier returns. We seek to fund repeatable organic production and reserves growth through the use of internally generated free cash flow from operations after debt service, or levered free cash flow, while also maintaining ample liquidity and a conservative financial leverage profile.

As of November 30, 2017, we had estimated proved reserves of 141,838 MBoe, of which approximately 57% were proved developed producing reserves and approximately 66% of total proved reserves were located in California. For the three months ended September 30, 2017, pro forma for the Hugoton Disposition and the Hill Acquisition (each as defined below), we had average production of approximately 27.0 MBoe/d, of which approximately 82% was oil.

The New Berry

Berry was founded by the entrepreneur and our namesake C. J. Berry in the late 1800s. After making his fortune working a solo-mining operation during the Alaskan gold rush, Mr. Berry returned to California and continued his success with oil exploration and production. Our predecessor company was formed in 1985 after merging several related entities and ultimately became publicly traded beginning in 1987.

In 2013, the Linn Entities acquired our predecessor company for LinnCo, LLC shares and assumed debt with an aggregate value of $4.6 billion. A severe industry downturn, coupled with high leverage and significant fixed charges, led the Linn Entities and, consequently, our predecessor company to initiate the Chapter 11 Proceeding on May 11, 2016.

On February 28, 2017, Berry LLC emerged from bankruptcy as a stand-alone company and wholly-owned subsidiary of Berry Corp. with new management, a new board of directors and new ownership. Through the Chapter 11 Proceeding, the Company significantly improved its financial position from that of Berry LLC while it was owned by the Linn Entities. These improvements included:

- the elimination of approximately $1.3 billion of debt and more than $76 million of annualized interest expense;
- the termination of, or renegotiation of more favorable terms for, several firm transportation and oil sales contracts; and
- the anticipated reduction in recurring general and administrative costs as a stand-alone company by following a lean operating model.

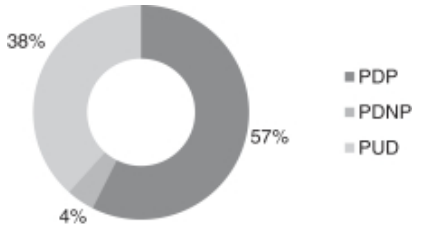
Today, we foster Mr. Berry’s entrepreneurial spirit and leadership skills. We encourage our teams to apply his business ethos at every level to move us forward. We strive to have a positive presence in the communities surrounding our operations. Our employees belong to the communities where they work, which we believe aligns our interests with those of the people who live near our operations.

Our Reserves and Assets

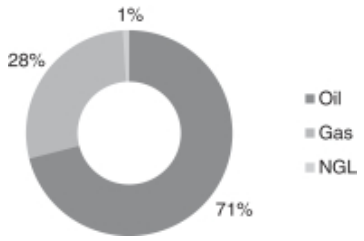
The majority of our reserves are composed of heavy crude oil in shallow, long-lived reservoirs. Approximately two-thirds of our proved reserves and approximately 90% of the PV-10 value of our proved reserves are derived from our assets in California. We also operate in the Uinta basin in Utah, a stacked, multi-bench, light-oil-prone play with significant undeveloped resources, in the Piceance basin in Colorado, a low geologic risk, prolific natural gas play, and in part of an extensive over-pressured natural gas cell on the western flank of the East Texas basin.

The charts below summarize certain characteristics of our proved reserves and PV-10 of proved reserves as of November 30, 2017 (as described in the table below and in "—Summary Reserves and Operating Data"):

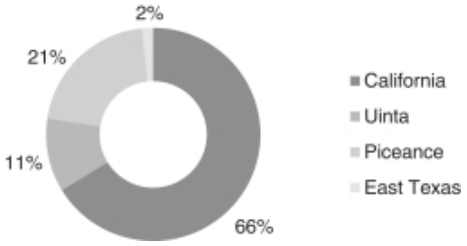
1P Reserves by Category (142 MMBoe)



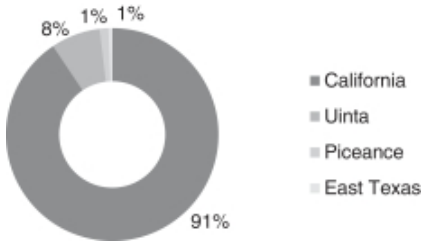
1P Reserves By Commodity (142 MMBoe)



1P Reserves By Area (142 MMBoe)



1P PV-10 by Area ($1.1 billion)



The tables below summarize our proved reserves and PV-10 by category as of November 30, 2017:

	Proved Reserves and PV-10 as of November 30, 2017(1)							
	Oil (MMBbl)	Natural Gas (Bcf)	NGLs (MMBbl)	Total (MMBoe)	% of Proved	% Proved Developed	Capex(2) ($MM)	PV-10(3) ($MM)
PDP	63	101	1	81	57	93	$ 51	$ 741
PDNP	6	—	—	6	4	7	10	85
PUDs	32	137	—	55	39	—	489	243
Total	101	238	1	142	100	100	$ 550	$ 1,069

(1) Our estimated net reserves were determined using average first-day-of-the-month prices for the prior 12 months in accordance with Securities and Exchange Commission ("SEC") guidance. The unweighted arithmetic average first-day-of-the-month prices for the prior 12 months were $53.40 per Bbl ICE (Brent) for oil and NGLs and $3.01 per MMBtu NYMEX Henry Hub for natural gas at November 30, 2017. Prices were calculated using oil and natural gas price parameters established by current SEC guidelines and accounting rules, including adjustment by lease for quality, fuel deductions, geographical differentials, marketing bonuses or deductions and other factors affecting the price received at the wellhead. Please see "—Summary Reserves and Operating Data."

(2) Represents undiscounted future capital expenditures as of November 30, 2017.

(3) PV-10 is a financial measure that is not calculated in accordance with United States generally accepted accounting principles ("GAAP"). For a definition of PV-10, please read "—Summary Reserves and Operating Data—PV-10." PV-10 does not give effect to derivatives transactions. With respect to PV-10 calculated as of November 30, 2017, it is not practical to calculate the taxes for such period because GAAP does not provide for disclosure of standardized measure on an interim basis.

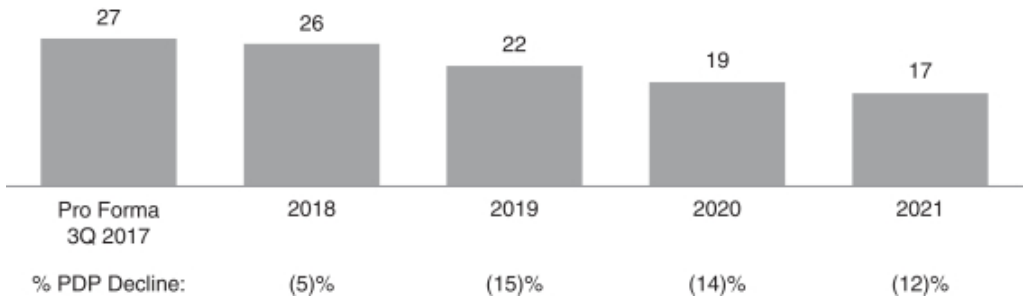
The table below summarizes our average net daily production by basin for the three months ended September 30, 2017, pro forma for the Hugoton Disposition and the Hill Acquisition:

	Pro Forma Average Net Daily Production for the Three Months Ended September 30, 2017	
	(MBoe/d)	Oil (%)
California	19.8	100%
Uinta basin	5.0	48%
Piceance basin	1.1	2%
East Texas basin	1.1	—
Total	27.0	82%

Our Stable Production Base with Low Decline Rates

Our reserves are long-lived and characterized by relatively low production decline rates, which affords capital flexibility through commodity price cycles and allows for efficient hedging of significant quantities of future expected production. The chart below shows our average daily production for the three months ended September 30, 2017, pro forma for the Hill Acquisition and Hugoton Disposition and the estimated production profile of our PDP reserves, derived from our November 30, 2017 reserve report, based on the assumptions and calculations therein.

PDP Production by Year (MBoe/d) and PDP Decline Rates



Our Development Opportunities

We have an extensive inventory of low-risk, high-return development opportunities. Our inventory currently consists of 790 gross (786 net) identified drilling locations associated with proved undeveloped reserves as of November 30, 2017 with average EURs of approximately 46 MBoe in California and 360 MBoe in Colorado and average estimated drilling and completion costs of approximately $450,000 and $1,800,000, respectively. We also have approximately 1,305 gross (1,300 net) additional identified drilling locations with economics that management believes are similar to those of our proved undeveloped locations. We also have identified more than 3,800 gross (3,500 net) additional drilling locations, the economics of which are currently under review. Our identified drilling locations include 161 gross (161 net) steamflood and waterflood injection wells that we expect to add incremental production. For a discussion of how we identify drilling locations, please see “Business—Our Reserves and Production Information—Determination of Identified Drilling Locations.”

We operate over 95% of our productive wells and expect to operate a similar percentage of our identified gross drilling locations. In addition, approximately 76% of our acreage is held by production, including 99% of our acreage in California. Our high degree of operational control, together with the large portion of our acreage that is held by production, gives us flexibility over the execution of our development program, including the timing, amount and allocation of our capital expenditures, technological enhancements and marketing of production.

The following table summarizes certain information concerning our acreage, identified drilling locations and producing wells as of November 30, 2017:

	Acreage		Net Acreage Held By Production(%)	Producing Wells, Gross(1)(2)	Average Working Interest (%)(2)(4)	Net Revenue Interest (%)(2)(5)	Identified Drilling Locations (3)	
	Gross	Net					Gross	Net
California	10,880	7,945	99%	2,522	99%	95%	3,742	3,731
Uinta basin	143,120	98,804	72%	912	95%	79%	1,246	1,084
Piceance basin	10,553	8,008	85%	170	72%	57%	869	663
East Texas basin	5,853	4,533	100%	117	99%	79%	123	122
Total	170,406	119,290	76%	3,721	97%	86%	5,980	5,600

(1) Includes 469 steamflood and waterflood injection wells in California.
(2) Excludes 91 wells in the Piceance basin each with a 5% working interest and eleven wells in the Permian basin all with less than 0.1% working interest.
(3) Our total identified drilling locations include 790 gross (786 net) locations associated with PUDs as of November 30, 2017, including 161 gross (161 net) steamflood and waterflood injection wells. Please see “Business—Our Reserves and Production Information—Determination of Identified Drilling Locations” for more information regarding the process and criteria through which we identified our drilling locations.
(4) Represents our weighted average working interest in our active wells.
(5) Represents our weighted average net revenue interest for the month of September 2017.

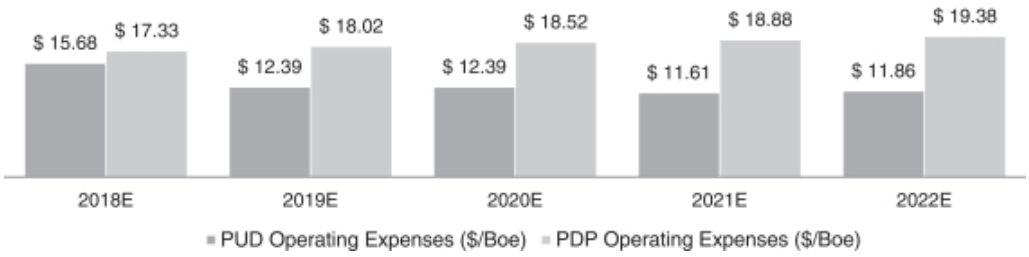
Favorable Cost Structure

Our PDP assets are primarily mature, long-lived, oil-weighted, low-decline producing properties. The nature of our reserves requires relatively less development capital to maintain our base production, offsetting moderately higher per barrel operating expenses inherent in mature oil wells. Operating expenses includes lease operating expenses, electricity generation expenses, transportation expenses, and marketing expenses net of electricity sales and marketing revenues. In addition, our operating cost structure benefits from relatively stable service costs. As a result, our cost structure is stable and, given the nature of our production base, provides us with significant capital flexibility, and a low break-even operating price. Further, lack of need for advanced equipment in our key operations and the stable cost of the service environment drive substantially lower service costs and provide relative insulation from the cost inflation pressures experienced by our peers who operate primarily in unconventional plays.

Our PUD reserves are expected to have lower operating expenses per Boe compared to our PDP reserves due to the higher rates of production associated with new wells as compared to our older producing wells, which have been producing for an average of 11 years. Our lower expected operating expenses on our PUD reserves supports high full-commodity-cycle margins (including cost of development). The result of our PDP and PUD operating expenses mix is a stable total company cost structure over time, which provides significant through-cycle capital flexibility.

The following chart represents our expected operating expenses per Boe for the next five years as provided to our reserve engineers in connection with the preparation of our November 30, 2017 reserve report:

PUD / PDP Operating Expenses ($/Boe)



Our operating expense estimates are based on, among other things, our current cost structure. Investors should also recognize that the reliability of any guidance diminishes the farther in the future that data are forecast so that it is increasingly likely that our actual results will differ materially from our guidance. See “Risk Factors—Risks Related to Our Business and Industry.”

Other Assets

We produce oil from heavy crude reservoirs using steam to heat the oil so it will flow. Because of our dependence on steam, we own and operate five natural gas cogeneration plants. These plants supply approximately 24% of our steam needs and 43% of our field electricity needs in California at a discount to electricity market prices. To further offset our costs, we also sell surplus power produced by three of our cogeneration facilities under long-term contracts with California utility companies.

In addition, we own gathering, treatment and storage facilities in California that currently have excess capacity, reducing our need to spend capital to develop nearby assets and generally allowing us to control certain operating costs. We also own a network of oil and gas gathering lines across our assets outside of California, and our oil and natural gas is transported through such lines and third-party gathering systems and pipelines.

We own a natural gas processing plant with capacity of approximately 30 MMcf/d in the Brundage Canyon area, located in Duchesne County, Utah. This facility takes delivery from gathering and compressions facilities we operate. Approximately 95% of the gas gathered at these facilities is produced from wells that we operate. Current throughput at the processing plant is 18 to 20 MMcf/d and sufficient capacity remains for additional large-scale development drilling.

Our California Advantage

California is one of the most productive oil and natural gas regions in the world and was the third largest oil producing state in the United States in 2016 according to the U.S. Energy Information Administration (the “EIA”), with significant remaining opportunities for production growth with attractive full-cycle returns. The San Joaquin basin in California has produced for over a century. As a result, the geology and reservoir characteristics are well understood, and new development well results are generally predictable, repeatable and present low-risk development opportunities. The majority of these reserves are composed of heavy crude oil in shallow, long-lived reservoirs with lower drilling risks and costs compared to deeper reservoirs or shale resource plays.

California oil prices are Brent-influenced as California refiners import more than 50% of the state's demand from foreign sources, and there is a closer correlation of price in California to Brent pricing than to WTI. This dynamic has led to periods where the price for the primary benchmark, Midway-Sunset, a 13° API heavy crude, has been equal to or exceeded the price for WTI, a light 40° API crude.

Without the higher costs associated with importing crude via rail or supertanker, we believe our in-state production and low transportation costs, coupled with Brent-influenced pricing, will allow us to continue to realize strong cash margins in California.

Our Capital Budget

Following Berry LLC's emergence from bankruptcy and separation from the Linn Entities, we increased our pace of development and expect to continue to do so in 2018. Our 2018 anticipated capital expenditure budget of approximately $135 to $145 million represents an increase of approximately 84% over our expected 2017 capital expenditures of approximately $74 to $78 million. Based on current commodity prices and a drilling success rate comparable to our historical performance, we believe we will be able to fund our 2018 capital program with our levered free cash flow. We expect to:

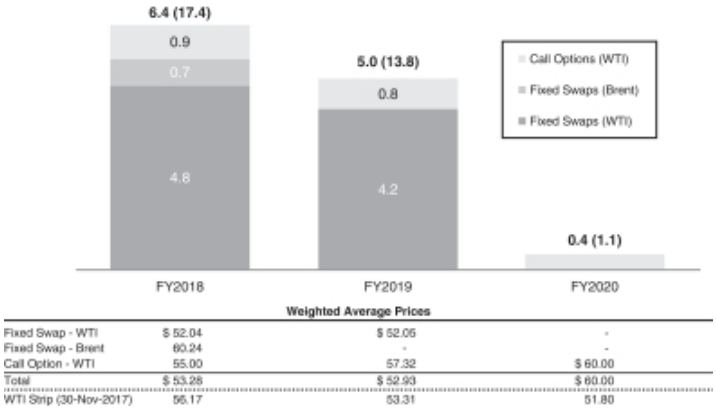
- employ:
  - two drilling rigs in California continuously through 2018; and
  - one additional drilling rig assigned to certain projects in the second half of 2018;
- drill approximately 180 to 190 gross development wells, of which we expect at least 175 will be in California; and
- maintain a fairly constant pace of drilling throughout the year.

The amount and timing of these capital expenditures is within our control and subject to our management's discretion. We retain the flexibility to defer a portion of these planned capital expenditures depending on a variety of factors, including but not limited to the success of our drilling activities, prevailing and anticipated prices for oil, natural gas and NGLs, the availability of necessary equipment, infrastructure and capital, the receipt and timing of required regulatory permits and approvals, seasonal conditions, drilling and acquisition costs and the level of participation by other interest owners. Any postponement or elimination of our development drilling program could result in a reduction of proved reserve volumes and materially affect our business, financial condition and results of operations.

Our Commodity Hedging Program

We expect our operations to generate substantial cash flows at current commodity prices. We have protected a portion of our anticipated cash flows through 2020 as part of our crude oil hedging program. Our low-decline production base, coupled with our stable operating cost environment, affords us the ability to hedge a material amount of our future expected production. The chart below summarizes our derivative contracts in place as of January 4, 2018.

Hedge Volumes in MMBbls (MBbl/d)



Weighted Average Prices			
Fixed Swap - WTI	$ 52.04	$ 52.06	-
Fixed Swap - Brent	60.24	-	-
Call Option - WTI	55.00	57.32	$ 60.00
Total	$ 53.28	$ 52.93	$ 60.00
WTI Strip (30-Nov-2017)	56.17	53.31	51.80

Our Competitive Strengths

We believe that the following competitive strengths will allow us to successfully execute our business strategy.

- ***Stable, low-decline, predictable and oil-weighted conventional asset base***. We expect our operations to continue to generate sufficient levered free cash flow at current commodity prices to fund maintenance operations and growth. The majority of our interests are in properties that have produced for decades. As a result, the geology and reservoir characteristics are well understood, and new development well results are generally predictable, repeatable and present lower risk than unconventional resource plays. The properties are characterized by long-lived reserves with low production decline rates, a stable cost structures and low-risk developmental drilling opportunities with predictable production profiles. They provide a high degree of capital flexibility through commodity cycles.
- ***Substantial inventory of low-cost, low-risk and high-return development opportunities***. We expect our locations to generate highly attractive rates of return. For example, our inventory includes 790 gross (786 net) identified drilling locations associated with proved undeveloped reserves with projected average single-well rates of return of approximately 40%, based on our assumptions used in preparing our November 30, 2017 reserve report, and approximately 1,305 gross (1,300 net) additional identified drilling locations with economics that management believes are similar to those of our proved undeveloped locations. In addition, we have approximately 3,800 additional identified drilling locations that are currently under review.
- ***Experienced, principled and disciplined management team***. Our management team has significant experience operating and managing oil and gas businesses across numerous domestic and international basins, as well as reservoir and recovery types. We will employ our deep technical, operational and strategic management experience to optimize the value of our assets and the Company. We are focused on the principles of growing cash flows and the value of our production and reserves and take a disciplined approach to development and operating cost management, field development efficiencies and the application of proven technologies and processes new to our properties in order to generate a sustained cost advantage. We believe that our knowledge and operating experience, together with the quality of our assets, offer opportunities to increase value and that our value-driven approach to operational and strategic decisions will help us optimize our returns.

- ***Substantial capital flexibility derived from a high degree of operational control and stable cost environment***. We operate over 95% of our productive wells and expect to operate a similar percentage of our identified gross drilling locations. In addition, approximately 76% of our acreage is held by production, including 99% of our acreage in California. Our high degree of operational control over our properties, together with the large portion of our acreage that is held by production, gives us flexibility over the execution of our development program, including the timing, amount and allocation of our capital expenditures, technological enhancements and marketing of production. Our lack of need for advanced equipment in our key operations and the stable cost of the service environment drive substantially lower service costs and provide relative insulation from the cost inflation pressures experienced by our peers who operate primarily in unconventional plays. The more stable costs associated with our operations provide us significant visibility and understanding of our expected cash flows, which allow us to manage our business through commodity price cycles.
- ***Conservative balance sheet leverage with ample liquidity and minimal contractual obligations***. After giving effect to this offering and repayment of borrowings under the RBL Facility (as defined herein), we expect to have approximately $ million of available liquidity, defined as cash on hand plus availability under our RBL Facility. In addition, we have minimal long-term service or fixed-volume delivery commitments. This liquidity and flexibility permit us to capitalize on opportunities that may arise to grow and increase stockholder value
- ***Brent-influenced pricing advantage***. California oil prices are Brent-influenced as California refiners import more than 50% of the state's demand from foreign sources. There is a closer correlation of prices in California to Brent pricing than to WTI. Without the higher costs associated with importing crude via rail or supertanker, we believe our in-state production and low-cost crude transportation options, coupled with Brent-influenced pricing, will allow us to continue to realize strong cash margins in California.

Our Business Strategy

The principal elements of our business strategy include the following:

- ***Grow production and reserves in a capital efficient manner using internally generated cash flow***. We intend to allocate capital in a disciplined manner to projects that will produce predictable and attractive rates of return. We plan to direct capital to our oil-rich and low-risk development opportunities while focusing on driving cost efficiencies across our asset base with the primary objective of internally funding our capital budget and growth plan. We may also use our capital flexibility to pursue value-enhancing, bolt-on acquisitions to opportunistically improve our positions in existing basins.
- ***Maximize ultimate hydrocarbon recovery from our assets by optimizing drilling, completion and production techniques and investigating deeper reservoirs and areas beyond our known productive areas***. While we intend to utilize proven techniques and technologies, we will also continuously seek efficiencies in our drilling, completion and production techniques in order to optimize ultimate resource recoveries, rates of return and cash flows. We will explore innovative EOR techniques to unlock additional value and have allocated capital towards next generation technologies. For example, in our South Belridge Hill non-thermal and Midway-Sunset thermal diatomite properties, we employ both fracture stimulation and advanced thermal techniques, and in our Piceance properties, we use advanced proppant-less slick water fracture stimulation techniques. In addition, we intend to expand our geologic investigation of deeper reservoirs on our acreage and adjacent acreage below existing producing reservoirs and to expand strategic development beyond our known productive areas.

- ***Proactively and collaboratively engage in matters related to regulation, safety, environmental and community relations***. We are committed to proactive engagement with regulatory agencies in order to realize the full potential of our resources in a timely fashion that safeguards people and the environment and complies with law and regulations. We expect our work with regulators and legislators throughout the rule making process to minimize any adverse impact that new legislation and regulations might have on our ability to maximize our resources. We have found constructive dialogue with regulatory agencies can help avert compliance issues.
- ***Maintain balance sheet strength and flexibility through commodity price cycles***. We intend to fund our capital program primarily through the use of internally generated levered free cash flow from operations. Over time, we expect to de-lever through organic growth and with excess levered free cash flow. Our objective is to achieve and maintain a long-term, through-cycle leverage ratio between 1.5x and 2.0x.
- ***Enhance future cash flow stability and visibility through an active and continuous hedging program***. Our hedging strategy is designed to insulate our capital program from price fluctuations by securing price realizations and cash flows, including fixed-price gas purchase agreements and other hedging contracts. We have protected a portion of our anticipated production through 2020 as part of our crude oil hedging program. As of January 4, 2018, we have hedged approximately 6.4 MMBbls for 2018, 5.0 MMBbls for 2019 and 0.4 MMBbls for 2020 of crude oil production. We will review our hedging program continuously as conditions change.

Recent Developments

Hill Acquisition and Hugoton Disposition

On July 31, 2017, we sold our approximately 78% non-operated working interest in the Hugoton natural gas field located in southwest Kansas and the Oklahoma Panhandle (the "Hugoton Disposition") and acquired the remaining approximately 84% non-operated working interest to consolidate with our existing 16% operated working interest in a South Belridge Hill property, located in Kern County, California, in the San Joaquin basin (the "Hill Acquisition"). These transactions significantly increased the percentage of our production that is oil, which benefits from California pricing margins, increased our future drilling opportunities, concentrated our assets and were essentially operating cash flow neutral at the time of the transactions. With the Hill Acquisition, we gained the remaining working interest in approximately 1,100 identified gross drilling locations. We used the proceeds of the Hugoton Disposition and cash on hand to complete the Hill Acquisition.

The table below compares certain aspects of the Hill Acquisition and the Hugoton Disposition:

	Hill Acquisition	Hugoton Disposition
Estimated PV-10 (millions)(1)(2)	$ 290	$ 190
Proved Reserves (MMBoe)(1)	24.7	62.6
Average Net Daily Production from January 1, 2017—September 30, 2017(Boe/d)	3,000	9,533
Revenue Equivalent Barrels of oil per day from January 1, 2017—September 30, 2017(1)(3)		3,650
Percent (%) product mix (Oil/Natural Gas Equivalent/NGLs for January 1, 2017—September 30, 2017)	100 / 0 / 0	0 / 66 / 34

(1) We estimated reserve volumes and the PV-10 value of the Hugoton asset as of March 31, 2017 in accordance with SEC guidance. Reserves volumes and the PV-10 value of the Hill asset represents the value associated with the 84% non-operated working interest acquired in the Hill Acquisition and does not include the value associated with the 16% operated working interest already owned. We estimated reserve volumes of the Hill asset as of March 31, 2017 in accordance with SEC guidance. Primarily as a result of an increase in oil prices, the PV-10 value of the Hill asset has increased significantly since the completion of the Hill Acquisition. The PV-10 value in the table above is as of November 30, 2017. As of March 31, 2017, the PV-10 value of the Hill asset was approximately $216 million.

(2) PV-10 is a non-GAAP financial measure. For a definition of PV-10, please read "—Summary Reserves and Operating Data—PV 10." PV-10 does not give effect to derivatives transactions.

(3) Because the Hugoton asset produced primarily natural gas and the Hill asset produces oil, revenue from the sale of 9,533 Boe/d from the Hugoton asset would be equal to revenue generated from the sale of 3,650 Boe/d at the Hill asset.

Senior Unsecured Notes Offering

In February 2018, we closed a private offering (the "2018 Notes Offering") of $400 million principal amount of 7.000% senior unsecured notes due 2026 (the "2026 Notes"), which resulted in net proceeds to us of approximately $392 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the 2018 Notes Offering to repay borrowings under our $1.5 billion reserve base lending facility entered into on July 31, 2017, (the "RBL Facility") and will use the remainder for general corporate purposes.

Risk Factors

Investing in our common stock involves risks that include the speculative nature of oil and natural gas exploration, competition, volatile commodity prices and other material factors. You could lose all or part of your investment. You should bear in mind, in reviewing this prospectus, that past experience is no guarantee of future performance. You should read carefully the section of this prospectus entitled "Risk Factors" beginning on page 24 for an explanation of these risks before investing in our common stock and "Cautionary Note Regarding Forward-Looking Statements" on page 43 of this prospectus. In particular, the following considerations may offset our competitive strengths or have a negative effect on our strategy or operating activities:

- Oil, natural gas and NGL prices are volatile.
- Our business requires substantial capital investments. We may be unable to fund these investments through operating cash flow or obtain any needed additional capital on satisfactory terms or at all, which could lead to a decline in our oil and natural gas reserves or production. Our capital investment program is also susceptible to risks that could materially affect its implementation.
- We may be unable to, or may choose not to, enter into sufficient fixed-price purchase or other hedging agreements to fully protect against decreasing spreads between the price of natural gas and oil on an energy equivalent basis or may otherwise be unable to obtain sufficient quantities of natural gas to conduct our steam operations economically or at desired levels.
- We may be unable to hedge anticipated production volumes on attractive terms or at all, which would subject us to further potential commodity price uncertainty and could adversely affect our net cash provided by operating activities, financial condition and results of operations.
- Estimates of proved reserves and related future net cash flows are not precise. The actual quantities of our proved reserves and future net cash flows may prove to be lower than estimated.
- Unless we replace oil and natural gas reserves, our future reserves and production will decline.
- We may not drill our identified sites at the times we scheduled or at all.

- We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our debt arrangements, which may not be successful.
- We are dependent on our cogeneration facilities and deteriorations in the electricity market and regulatory changes in California may materially and adversely affect our financial condition, results of operations and cash flows.
- Future declines in commodity prices, changes in expected capital development, increases in operating costs or adverse changes in well performance may result in write-downs of the carrying amounts of our assets.
- The inability of one or more of our customers to meet their obligations may have a material adverse effect on our business, financial condition, results of operations and cash flows.
- Due to our limited operating history as an independent company following our emergence from bankruptcy in February 2017, we have been in the process of establishing our accounting and other management systems and resources. We may be unable to effectively develop a mature system of internal controls, and a failure of our control systems to prevent error or fraud may materially harm our company.

Emerging Growth Company Status

We are an "emerging growth company" as such term is used in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). For as long as we are an emerging growth company, unlike public companies that are not emerging growth companies, we will not be required to:

- provide an auditor's attestation report on management's assessment of the effectiveness of our system of internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley Act");
- provide more than two years of audited financial statements and related management's discussion and analysis of financial condition and results of operations;
- comply with any new requirements adopted by the Public Company Accounting Oversight Board (the "PCAOB") requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer;
- provide certain disclosure regarding executive compensation required of larger public companies or hold stockholder advisory votes on executive compensation required by the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"); or
- obtain stockholder approval of any golden parachute payments not previously approved.

We will cease to be an emerging growth company upon the earliest of:

- the last day of the fiscal year in which we have $1.07 billion or more in annual revenues;
- the date on which we become a "large accelerated filer" (the fiscal year-end on which the total market value of our common equity securities held by non-affiliates is $700 million or more as of June 30);
- the date on which we issue more than $1.0 billion of non-convertible debt over the prior three-year period; or
- the last day of the fiscal year following the fifth anniversary of our initial public offering.

In addition, under Section 107 of the JOBS Act emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We intend to take advantage of all of the reduced reporting requirements and exemptions, including the longer phase-in periods for the adoption of new or revised financial accounting standards under Section 107 of the JOBS Act until we are no longer an emerging growth company. Our election to use the phase-in periods permitted by this election may make it difficult to compare our financial statements to those of non-emerging growth companies and other emerging growth companies that have opted out of the longer phase-in periods under Section 107 of the JOBS Act and who will comply with new or revised financial accounting standards. If we were to subsequently elect instead to comply with these public company effective dates, such election would be irrevocable pursuant to Section 107 of the JOBS Act.

Corporate Information

We were incorporated in Delaware in February 2017. Our principal executive offices are located at 5201 Truxtun Ave., Bakersfield, California 93309 and we have additional executive offices located at 16000 N. Dallas Pkwy, Ste 100, Dallas, Texas 75248. Our telephone number is (661) 616-3900 and our web address is *www.berrypetroleum.com*. Information contained in or accessible through our website is not, and should not be deemed to be, part of this prospectus.

The Offering

Issuer	Berry Petroleum Corporation.
Common stock offered by us	shares (or shares, if the underwriters exercise in full their option to purchase additional shares).
Common stock offered by the selling stockholders	shares.
Common stock outstanding after this offering	shares (or shares, if the underwriters exercise in full their option to purchase additional shares).
Option to purchase additional shares	We have granted the underwriters a 30-day option to purchase up to an aggregate of additional shares of our common stock if the underwriters sell more than shares of common stock in this offering.
Use of proceeds	Assuming the midpoint of the price range set forth on the cover of this prospectus, we expect to receive approximately $ million of net proceeds from this offering after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares by the selling stockholders We intend to use the proceeds from this offering to repay outstanding borrowings under the RBL Facility and for general corporate purposes. Please read “Use of Proceeds.”
Dividend policy	We do not anticipate paying any cash dividends on our common stock. Please read “Dividend Policy.”
Listing and trading symbol	We intend to apply to list our common stock on the under the symbol “ .”
Risk factors	You should carefully read and consider the information set forth under the heading “Risk Factors” on page 24 of this prospectus and all other information set forth in this prospectus before deciding to invest in our common stock.

The information above excludes shares of common stock reserved for issuance pursuant to our 2017 Long-Term Incentive Plan (our “2017 Incentive Plan”).

Summary Historical and Pro Forma Financial Information

The summary historical financial information as of and for the years ended December 31, 2015 and 2016 are derived from the audited historical consolidated financial statements of Berry LLC included elsewhere in this prospectus. The summary historical financial information as of and for the nine months ended September 30, 2016 and for the two months ended February 28, 2017 are derived from unaudited consolidated financial statements of Berry LLC included elsewhere in this prospectus. The summary historical financial information for the seven months ended September 30, 2017, is derived from unaudited consolidated financial statements of Berry Corp. included elsewhere in this prospectus.

Upon Berry LLC's emergence from bankruptcy on February 28, 2017, or the Effective Date, in connection with the Plan, Berry LLC adopted fresh-start accounting and was recapitalized, which resulted in Berry LLC becoming a wholly-owned subsidiary of Berry Corp. and Berry Corp. being treated as the new entity for financial reporting. Upon adoption of fresh-start accounting, our assets and liabilities were recorded at their fair values as of the Effective Date. These fair values differed materially from the recorded values of our assets and liabilities as reflected in Berry LLC's historical consolidated balance sheet. The effects of the Plan and the application of fresh-start accounting are reflected in Berry Corp.'s consolidated financial statements as of the Effective Date and the related adjustments thereto are recorded in our consolidated statements of operations as reorganization items for the periods prior to the Effective Date. As a result, our consolidated financial statements subsequent to the Effective Date will not be comparable to our consolidated financial statements prior to such date. Our financial results for future periods following the application of fresh-start accounting will be different from historical trends and the differences may be material.

The summary unaudited pro forma financial information for the year ended December 31, 2016 is derived from the audited historical consolidated financial statements of Berry LLC included elsewhere in this prospectus. The summary unaudited pro forma financial information for the nine months ended September 30, 2017 is derived from unaudited consolidated financial statements of Berry LLC and Berry Corp. included elsewhere in this prospectus.

The summary unaudited pro forma financial information for the year ended December 31, 2016 and the nine months ended 2017 has been prepared to give pro forma effect to (i) the Plan and related transactions and fresh-start accounting and (ii) the Hugoton Disposition, as if each had been completed as of January 1, 2016, respectively. The summary unaudited pro forma financial information does not give effect to the Hill Acquisition because such transaction is not deemed significant under Rule 3-05 of the SEC's Regulation S-X, so it is not required to be presented.

The summary unaudited pro forma financial information has been provided for informational and illustrative purposes only and is not necessarily indicative of the financial results that would have occurred if the Plan or the Hugoton Disposition had been put into effect on the dates indicated, nor are such financial statements necessarily indicative of the financial position or results of operations in future periods.

You should read the following summary information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical financial statements included elsewhere in this prospectus. Among other things, those historical financial statements include more detailed information regarding the basis of presentation for the following information. The historical financial results are not necessarily indicative of results to be expected for any future period.

	Berry Corp.	Berry LLC			
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	Year Ended December 31, 2015
	(unaudited)	(unaudited)	(unaudited)	(audited)	(audited)
		($ in thousands)			
Statements of Operations Data:					
Oil, natural gas and NGL liquid sales	$ 237,324	$ 74,120	$ 285,538	$ 392,345	$ 575,031
Electricity sales	15,517	3,655	17,573	23,204	24,544
(Losses) gains on oil and natural gas derivatives	5,642	12,886	1,642	(15,781)	29,175
Marketing revenues	1,901	633	2,743	3,653	5,709
Other revenues	3,902	1,424	5,634	7,570	7,195
Lease operating expenses	108,751	28,238	138,557	185,056	245,155
Electricity generation expenses	10,192	3,197	12,118	17,133	18,057
Transportation expenses	18,645	6,194	32,518	41,619	52,160
Marketing expenses	1,674	653	2,173	3,100	3,809
Taxes, other than income taxes	25,113	5,212	20,614	25,113	70,593
General and administrative expenses(1)	39,791	7,964	65,313	79,236	85,993
Reorganization items, net	(1,001)	(507,720)	(38,829)	(72,662)	—
Depreciation, depletion and amortization	48,392	28,149	139,980	178,223	251,371
Interest expense	(12,482)	(8,245)	(48,719)	(61,268)	(85,818)
Income tax (benefit) expense	9,190	230	196	116	(68)
Net (loss) income	13,812	(502,964)	(1,216,417)	(1,283,196)	(1,015,177)
Cash Flow Data:					
Net cash provided by (used in)					
Operating activities	88,364	(30,176)	3,269	12,345	122,518
Capital expenditures	(52,572)	(3,158)	(26,534)	(34,796)	(50,374)
Acquisitions, sales of properties and other investing activities	(21,991)	25	53,590	53,612	151,742
Balance Sheets Data:					
(at period end)					
Total assets	$ 1,579,389	$ 1,561,038	$ 2,681,256	$ 2,652,050	$ 3,861,476
Current portion of long-term debt	—	—	891,259	891,259	873,175
Long-term debt, net	379,000	400,000	—	—	845,368
Series A Preferred Stock	335,000	335,000			
Stockholders' and/or member's equity	877,541	862,827	569,741	502,963	1,786,159
Other Financial Data:					
Adjusted EBITDA(2)	$ 96,773	$ 28,845	$ 54,429	$ 89,646	$ 206,537
Adjusted General and Administrative Expenses(3)	11,468	7,964	65,313	79,236	85,993

(1) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of $28.3 million for the seven months ended September 30, 2017.
(2) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation to our most directly comparable financial measure calculated and presented in accordance with GAAP, please read "—Non-GAAP Financial Measures."
(3) Adjusted General and Administrative Expenses is a non-GAAP financial measure. For a definition of Adjusted General and Administrative Expenses and a reconciliation to our most directly comparable financial measure calculated and presented in accordance with GAAP, please read "—Non-GAAP Financial Measures."

	Pro Forma	
	Nine Months Ended September 30, 2017	Year Ended December 31, 2016
	($ in thousands)	
Statements of Operations Data:		
Oil, natural gas and NGL liquid sales	$ 273,602	$ 343,169
(Losses) gains on oil and natural gas derivatives	18,528	(15,781)
Lease operating expenses	130,860	176,669
Transportation expenses	14,832	25,943
Taxes, other than income taxes	25,457	22,338
General and administrative expenses(1)	46,463	77,712
Reorganization items, net	(1,001)	—
Depreciation, depletion and amortization	55,751	61,514
Interest expense, net of amounts capitalized	(15,797)	(20,228)
Income tax (benefit) expense	4,871	116
Net (loss) income	7,338	(1,080,846)

(1) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of $28.3 million for the nine months ended September 30, 2017.

Non-GAAP Financial Measures

Adjusted EBITDA

Adjusted EBITDA is not a measure of net income (loss) as determined by GAAP. Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. We define Adjusted EBITDA as earnings before interest expense, income taxes, depreciation, depletion, amortization and accretion; exploration expense, derivative gains or losses net of cash received for derivative settlements; impairments, stock compensation expense, and other unusual out-of-period and infrequent items, including restructuring and reorganization costs.

Our management believes Adjusted EBITDA provides useful information in assessing our financial condition, results of operations and cash flows and is widely used by the industry and the investment community. The measure also allows our management to more effectively evaluate our operating performance and compare the results between periods without regard to our financing methods or capital structure. While Adjusted EBITDA is a non-GAAP measure, the amounts included in the calculation of Adjusted EBITDA were computed

in accordance with GAAP. This measure is provided in addition to, and not as an alternative for, income and liquidity measures calculated in accordance with GAAP. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing our financial performance, such as our cost of capital and tax structure, as well as the historic cost of depreciable and depletable assets. Our computations of Adjusted EBITDA may not be comparable to other similarly titled measures used by other companies. Adjusted EBITDA should be read in conjunction with the information contained in our financial statements prepared in accordance with GAAP.

The following table presents a reconciliation of Adjusted EBITDA to the GAAP financial measure of net income (loss) for each of the periods indicated.

	Berry Corp.	Berry LLC			
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	2015
			($ in thousands)		
Adjusted EBITDA reconciliation to net income (loss):					
Net income (loss)	$ 13,812	$ (502,964)	$ (1,216,417)	$(1,283,196)	$(1,015,177)
Add (Subtract):					
Depreciation, depletion, amortization and accretion	48,392	28,149	139,980	178,223	251,371
Exploration expense	—	—	—	—	—
Interest expense	12,482	8,245	48,719	61,268	85,818
Income tax expense (benefit)	9,190	230	196	116	(68)
Derivative (gain) loss	(5,642)	(12,886)	2,963	20,386	(36,068)
Net cash received for derivative settlements	9,902	534	9,708	9,708	68,770
(Gain) on sale of assets and other	(20,687)	(183)	(137)	(109)	(1,919)
Impairments	—	—	1,030,588	1,030,588	853,810
Stock compensation expense	902	—	—	—	—
Restructuring costs	27,421	—	—	—	—
Reorganization items, net	1,001	507,720	38,829	72,662	—
Adjusted EBITDA	$ 96,773	$ 28,845	$ 54,429	$ 89,646	$ 206,537

Adjusted General and Administrative Expenses

Adjusted General and Administrative Expenses is a supplemental non-GAAP financial measure that is used by management. We define Adjusted General and Administrative Expenses as general and administrative expenses adjusted for non-recurring restructuring and other costs and non-cash stock compensation expense.

Management believes Adjusted General and Administrative Expenses is useful because it allows us to more effectively compare our performance from period to period. We exclude the items listed above from general and administrative expenses in arriving at Adjusted General and Administrative Expenses because these amounts can vary widely and unpredictably in nature, timing, amount and frequency. Adjusted General and Administrative Expenses should not be considered as an alternative to, or more meaningful than, general and administrative expenses as determined in accordance with GAAP. Our computations of Adjusted General and Administrative Expenses may not be comparable to other similarly titled measures of other companies.

The following table presents a reconciliation of Adjusted General and Administrative Expenses to the GAAP financial measure of general and administrative expenses for each of the periods indicated.

	Berry Corp.	Berry LLC			
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	Year Ended December 31, 2015
			($ in thousands)		
Adjusted General and Administrative Expense reconciliation to general and administrative expense:					
General and administrative expense	$ 39,791	$ 7,964	$ 65,313	$ 79,236	$ 85,993
Subtract:					
Non-recurring restructuring and other costs	(27,421)	—	—	—	—
Non-cash stock compensation expense	(902)	—	—	—	—
Adjusted General and Administrative Expenses	$ 11,468	$ 7,964	$ 65,313	$ 79,236	$ 85,993

Summary Reserves and Operating Data

The following tables present summary data with respect to our estimated proved oil, natural gas and NGL reserves and operating data as of the dates presented. In evaluating the material presented below, please read "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business—Our Reserves and Production Information" and our financial statements and notes thereto. Our historical results of operations are not necessarily indicative of results to be expected for any future period.

Reserves

The following table summarizes our estimated proved reserves and related PV-10 at November 30, 2017. The reserve estimates presented in the table below are based on reports prepared by DeGolyer and MacNaughton. The reserve estimates were prepared in accordance with current SEC rules and regulations regarding oil, natural gas and NGL reserve reporting. Reserves are stated net of applicable royalties.

	At November 30, 2017(1)				
	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total
Proved developed reserves:					
Oil (MMBbl)	62	7	—	—	69
Natural Gas (Bcf)	—	47	43	12	101
NGLs (MMBbl)	—	1	—	—	1
Total (MMBoe)(2)(3)	62	16	7	2	87
Proved undeveloped reserves:					
Oil (MMBbl)	32	—	—	—	32
Natural Gas (Bcf)	—	—	137	—	137
NGLs (MMBbl)	—	—	—	—	—
Total (MMBoe)(3)	32	—	23	—	55
Total proved reserves:					
Oil (MMBbl)	93	7	—	—	101
Natural Gas (Bcf)	—	47	179	12	238
NGLs (MMBbl)	—	1	—	—	1
Total (MMBoe)(3)	93	16	30	2	142
PV-10 ($MM)	952	82	27	8	1,069

(1) Our estimated net reserves were determined using average first-day-of-the-month prices for the prior 12 months in accordance with SEC guidance. The unweighted arithmetic average first-day-of-the-month prices for the prior 12 months were $53.40 per Bbl ICE (Brent) for oil and NGLs and $3.01 per MMBtu NYMEX Henry Hub for natural gas at November 30, 2017. Prices were calculated using oil and natural gas price parameters established by current guidelines of the SEC and accounting rules including adjustments by lease for quality, fuel deductions, geographical differentials, marketing bonuses or deductions and other factors affecting the price received at the wellhead. For more information regarding commodity price risk, please see "Risk Factors—Risks Related to Our Business and Industry—Oil, natural gas and NGL prices are volatile."

(2) Approximately 9% of proved developed oil reserves, 1% of proved developed NGLs reserves, 0% of proved developed natural gas reserves and 7% of total proved developed reserves are non-producing.

(3) Natural gas volumes have been converted to Boe based on energy content of six Mcf of gas to one Bbl of oil. Barrels of oil equivalence does not necessarily result in price equivalence. The price of natural gas on a barrel of oil equivalent basis is currently substantially lower than the corresponding price for oil and has

been similarly lower for a number of years. For example, in the nine months ended September 30, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $52.59 per Bbl and $3.17 per Mcf, respectively, resulting in an oil-to-gas ratio of over 16 to 1.

PV-10

PV-10 is a non-GAAP financial measure and represents the present value of estimated future cash inflows from proved oil and gas reserves, less future development and production costs, discounted at 10% per annum to reflect the timing of future cash flows. Calculation of PV-10 does not give effect to derivatives transactions. Management believes that PV-10 provides useful information to investors because it is widely used by professional analysts and sophisticated investors in evaluating oil and natural gas companies. Because there are many unique factors that can impact an individual company when estimating the amount of future income taxes to be paid, management believes the use of a pre-tax measure is valuable for evaluating the Company. PV-10 should not be considered as an alternative to the standardized measure of discounted future net cash flows as computed under GAAP.

With respect to PV-10 calculated as of November 30, 2017, it is not practical to calculate the taxes for such period because GAAP does not provide for disclosure of standardized measure on an interim basis.

Production and Operating Data

The following table sets forth information regarding production, realized and benchmark prices, and production costs (i) on a historical basis for the years ended December 31, 2016 and 2015, for the two months ended February 28, 2017, the seven months ended September 30, 2017 and the nine months ended September 30, 2016 and (ii) on a pro forma basis for the nine months ended September 30, 2017.

The pro forma information has been prepared to give pro forma effect to (i) the Plan and related transactions and fresh-start accounting and (ii) the Hugoton Disposition, as if each had been completed as of January 1, 2016, respectively. The summary unaudited pro forma financial information does not give effect to the Hill Acquisition because such transaction is not deemed significant under Rule 3-05 of the SEC's Regulation S-X, so it is not required to be presented herein. For more information, see "—Summary Historical and Pro Forma Financial Information."

For additional information regarding pricing dynamics, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Environment and Market Conditions."

	Pro Forma(5)	Berry Corp.		Berry LLC		
	Nine Months Ended September 30, 2017	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	2015
Production Data:						
Oil (MBbl/d)	19.9	20.0	19.5	23.9	23.1	30.0
Natural gas (MMcf/d)	31.1	57.2	71.7	78.6	78.1	92.7
NGLs (MBbl/d)	0.6	2.6	5.2	3.7	3.6	2.9
Average daily combined production (MBoe/d)(1)	25.7	32.2	36.6	40.7	39.7	48.4
Total combined production (MBoe)(1)	7,018	6,880	2,162	11,160	14,533	17,666
Average realized prices(2):						
Oil (per Bbl)	$ 45.31	$ 44.86	$ 46.94	$ 34.00	$ 35.83	$ 42.27
Natural gas (per Mcf)	$ 2.85	$ 2.69	$ 3.42	$ 2.15	$ 2.31	$ 2.66
NGLs (per Bbl)	$ 17.67	$ 21.67	$ 18.20	$ 16.08	$ 17.67	$ 20.27
Average Benchmark prices:						
ICE (Brent) oil ($/Bbl)	$ 52.59	$ 51.70	$ 55.72	$ 42.97	$ 45.00	$ 53.64
NYMEX Henry Hub natural gas ($/Mcf)	$ 3.17	$ 3.03	$ 3.66	$ 2.29	$ 2.46	$ 2.66
Average costs per Boe(3):						
Lease operating expenses	$ 18.65	$ 15.81	$ 13.06	$ 12.42	$ 12.73	$ 13.88
Electricity generation expenses	$ 1.91	$ 1.48	$ 1.48	$ 1.09	$ 1.18	$ 1.02
Electricity sales	$ (2.73)	$ (2.26)	$ (1.69)	$ (1.57)	$ (1.60)	$ (1.39)
Transportation expenses	$ 2.11	$ 2.71	$ 2.86	$ 2.91	$ 2.86	$ 2.95
Marketing expenses	$ 0.33	$ 0.24	$ 0.30	$ 0.19	$ 0.21	$ 0.22
Marketing revenues	$ (0.36)	$ (0.28)	$ (0.29)	$ (0.25)	$ (0.25)	$ (0.32)
Taxes, other than income taxes	$ 3.63	$ 3.65	$ 2.41	$ 1.85	$ 1.73	$ 4.00
General and Administrative Expenses(4)	$ 6.62	$ 5.78	$ 3.68	$ 5.85	$ 5.45	$ 4.87
Depreciation, depletion and amortization	$ 7.94	$ 7.03	$ 13.02	$ 12.54	$ 12.26	$ 14.23

(1) Natural gas volumes have been converted to Boe based on energy content of six Mcf of gas to one Bbl of oil. Barrels of oil equivalence does not necessarily result in price equivalence. The price of natural gas on a barrel of oil equivalent basis is currently substantially lower than the corresponding price for oil and has been similarly lower for a number of years. For example, in the nine months ended September 30, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $52.59 per Bbl and $3.17 per Mcf, respectively, resulting in an oil-to-gas ratio of over 16 to 1.

(2) Does not include the effect of gains (losses) on derivatives.

(3) We report electricity and marketing sales separately in our financial statements as revenues in accordance with GAAP. However, these revenues are viewed and used internally in calculating operating expenses which is used to track and analyze the economics of development projects and the efficiency of our hydrocarbon recovery. We purchase third party gas to generate electricity through our cogeneration facilities to be used in our field operations activities and view the added benefit of any excess electricity sold externally as a cost reduction/benefit to generating steam for our thermal recovery operations. Marketing expenses mainly relate to natural gas purchased from third parties that moves through our gathering and processing systems and then is sold to third parties.

(4) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of $28.3 million for the seven and nine months ended September 30, 2017.

(5) Does not include the effects of the Hill Acquisition. We estimate that the production associated with the Hill asset for the nine months ended September 30, 2017 was approximately 3,000 Boe/d.

RISK FACTORS

An investment in our common stock involves a number of risks. You should carefully consider each of the following risk factors and all of the other information set forth in this prospectus before making an investment decision. If any of the following risks actually occur, our business, financial condition and results of operations could be materially and adversely affected and we may not be able to achieve our goals. We cannot assure you that any of the events discussed in the risk factors below will not occur. Further, the risks and uncertainties described below are not the only ones we face. Additional risks not presently known to us or that we currently deem immaterial may also materially affect our business. If any of these risks occur, the trading price of our common stock could decline and you may lose all or part of your investment.

Risks Related to Our Business and Industry

The risks and uncertainties described below are among the items we have identified that could materially adversely affect our business, production, growth plans, reserves quantities or value, operating or capital costs, financial condition and results of operations and our ability to meet our capital expenditure and obligations and financial commitments.

Oil, natural gas and NGL prices are volatile.

The prices we receive for our oil, natural gas and NGL production heavily influence our revenue, profitability, access to capital, future rate of growth and the carrying value of our properties. Prices for these commodities have, and may continue to, fluctuate widely in response to market uncertainty and to relatively minor changes in the supply of and demand for oil, natural gas and NGLs. For example, the Brent spot price for oil declined from a high of over $115.06 per Bbl on June 19, 2014 to a low of $27.88 per Bbl on January 20, 2016, and the Henry Hub spot price for natural gas declined from a high of $6.15 per MMBtu on February 19, 2014 to a low of $1.64 per MMBtu on March 3, 2016. While prices remain lower than the 2014 and 2015 averages, they have improved since early 2016. However, such improvements may not continue or may be reversed. The prices we receive for our production, and the levels of our production, depend on numerous factors beyond our control, which include the following:

- worldwide and regional economic conditions impacting the global supply and demand for, and transportation costs of, oil and natural gas;
- the price and quantity of foreign imports of oil;
- political and economic conditions in, or affecting, other producing regions or countries, including the Middle East, Africa, South America and Russia;
- the level of global exploration, development, production and resulting inventories;
- actions of the Organization of the Petroleum Exporting Countries (“OPEC”), its members and other state-controlled oil companies relating to oil price and production controls;
- actions of other significant producers;
- prevailing prices on local price indexes in the areas in which we operate;
- the proximity, capacity, cost and availability of gathering and transportation facilities;
- the cost of exploring for, developing, producing and transporting reserves;
- weather conditions and natural disasters;
- technological advances, conservation efforts and availability of alternative fuels affecting oil and gas consumption;
- refining and processing disruptions or bottlenecks;

- the impact of the U.S. dollar exchange rates on oil;
- expectations about future oil and gas prices; and
- Foreign and U.S. federal, state and local and non-U.S. governmental regulation and taxes.

Lower oil prices may reduce our cash flow and borrowing ability. If we are unable to obtain needed capital or financing on satisfactory terms, our ability to develop future reserves could be adversely affected.

Also, lower prices generally adversely affect the quantity of our reserves as those reserves expected to be produced in later years, which tend to be costlier on a per unit basis, become uneconomic. In addition, a portion of our PUD reserves may no longer meet the economic producibility criteria under the applicable rules or may be removed due to a lower amount of capital available to develop these projects within the SEC-mandated five-year limit.

In addition, sustained periods with oil and natural gas prices at levels lower than current prices also may adversely affect our drilling economics, which may require us to postpone or eliminate all or part of our development program, and result in the reduction of some of our proved undeveloped reserves, which would reduce the net present value of our reserves.

Our business requires substantial capital investments. We may be unable to fund these investments through operating cash flow or obtain any needed additional capital on satisfactory terms or at all, which could lead to a decline in our oil and natural gas reserves or production. Our capital investment program is also susceptible to risks that could materially affect its implementation.

Our industry is capital intensive. We make and expect to continue to make substantial capital investments for the development and exploration of our oil and natural gas reserves. The actual amount and timing of our future capital expenditures may differ materially from our estimates as a result of, among other things, commodity prices, actual drilling results, the availability of drilling rigs and other services and equipment, and regulatory, technological and competitive developments. A reduction or sustained decline in commodity prices from current levels may force us to reduce our capital expenditures, which would negatively impact our ability to grow production. We have a 2018 capital expenditure budget of approximately $135 million to $145 million. We expect to fund our 2018 capital expenditures with cash flows from our operations; however, our cash flows from operations and access to capital should such cash flows prove inadequate are subject to a number of variables, including:

- the volume of hydrocarbons we are able to produce from existing wells;
- the prices at which our production is sold and our operating expenses;
- the extent and levels of our derivatives activities;
- our proved reserves, including our ability to acquire, locate and produce new reserves;
- our ability to borrow under the RBL Facility; and
- our ability to access the capital markets.

If our revenues or the borrowing base under the RBL Facility decrease as a result of lower oil, natural gas and NGL prices, operating difficulties, declines in reserves or for any other reason, we may have limited ability to obtain the capital necessary to sustain our operations and growth at current levels. If additional capital were needed, we may not be able to obtain debt or equity financing on terms acceptable to us, if at all. If we are able to obtain debt financing, it would require that a portion of our cash flows from operations be used to service such indebtedness, thereby reducing our ability to use cash flows from operations to fund working capital, capital expenditures and acquisitions. If cash flows generated by our operations or available borrowings under the RBL Facility are not sufficient to meet our capital requirements, the failure to obtain additional financing could result

in a curtailment of our operations relating to development of our properties, which in turn could lead to a decline in our reserves and production and have an adverse effect on our business, financial condition and results of operations. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources.”

We may be unable to, or may choose not to, enter into sufficient fixed-price purchase or other hedging agreements to fully protect against decreasing spreads between the price of natural gas and oil on an energy equivalent basis or may otherwise be unable to obtain sufficient quantities of natural gas to conduct our steam operations economically or at desired levels.

The development of our heavy oil in California is subject to our ability to generate sufficient quantities of steam using natural gas at an economically effective cost. As a result, we need access to natural gas at prices sufficiently lower than oil prices on an energy equivalent basis to economically produce our heavy oil. We seek to reduce our exposure to the potential unavailability of natural gas and to pricing by entering into fixed-price purchase agreements and other hedging transactions. We may be unable to, or may choose not to, enter into sufficient such agreements to fully protect against decreasing spreads between the price of natural gas and oil on an energy equivalent basis or may otherwise be unable to obtain sufficient quantities of natural gas to conduct our steam operations economically or at desired levels.

We may be unable to hedge anticipated production volumes on attractive terms or at all, which would subject us to further potential commodity price uncertainty and could adversely affect our net cash provided by operating activities, financial condition and results of operations.

As of January 4, 2018, we have hedged approximately 6.4 MMBbls for 2018, 5.0 MMBbls for 2019 and 0.4 MMBbls for 2020 of crude oil production. In the future, we may be unable to hedge anticipated production volumes on attractive terms or at all, which would subject us to further potential commodity price uncertainty and could adversely affect our net cash provided by operating activities, financial condition and results of operations.

Our current commodity-price risk-management activities may prevent us from realizing the full benefits of price increases above the levels determined under the derivative instruments we use to manage price risk. In addition, our commodity-price risk-management activities may expose us to the risk of financial loss in certain circumstances, including instances in which:

- the counterparties to our hedging or other price-risk management contracts fail to perform under those arrangements; and
- an event materially impacts oil and natural gas prices in the opposite direction of our derivative positions.

Our business is highly regulated and governmental authorities can delay or deny permits and approvals or change legal requirements governing our operations, including well stimulation, enhanced production techniques and fluid injection or disposal, that could increase costs, restrict operations and delay our implementation of, or cause us to change, our business strategy.

Our operations are subject to complex and stringent federal, state, local and other laws and regulations relating to environmental protection and the exploration and development of our properties, as well as the production, transportation, marketing and sale of our products. Federal, state and local agencies may assert overlapping authority to regulate in these areas. In addition, certain of these laws and regulations may apply retroactively and may impose strict or joint and several liability on us for events or conditions over which we and our predecessors had no control, without regard to fault, legality of the original activities, or ownership or control by third parties.

See “Business—Regulation of Health, Safety and Environmental Matters” for a description of laws and regulations that affect our business. To operate in compliance with these laws and regulations, we must obtain and maintain permits, approvals and certificates from federal, state and local government authorities for a variety of activities including siting, drilling, completion, stimulation, operation, maintenance, transportation, marketing, site remediation, decommissioning, abandonment, fluid injection and disposal and water recycling and reuse. Failure to comply may result in the assessment of administrative, civil and criminal fines and penalties and liability for noncompliance, costs of corrective action, cleanup or restoration, compensation for personal injury, property damage or other losses, and the imposition of injunctive or declaratory relief restricting or limiting our operations. Under certain environmental laws and regulations, we could be subject to strict or joint and several liability for the removal or remediation of contamination, including on properties over which we and our predecessors had no control, without regard to fault, legality of the original activities, or ownership or control by third parties.

Our operations may also be adversely affected by seasonal or permanent restrictions on drilling activities designed to protect various wildlife. Such restrictions may limit our ability to operate in protected areas and can intensify competition for drilling rigs, oilfield equipment, services, supplies and qualified personnel, which may lead to periodic shortages when drilling is allowed. Permanent restrictions imposed to protect threatened or endangered species or their habitat could prohibit drilling in certain areas or require the implementation of expensive mitigation measures.

Our customers, including refineries and utilities, and the businesses that transport our products to customers are also highly regulated. For example, federal and state pipeline safety agencies have adopted or proposed regulations to expand their jurisdiction to include more gas and liquid gathering lines and pipelines and to impose additional mechanical integrity requirements. The state has adopted additional regulations on the storage of natural gas that could affect the demand or availability of such storage, increase seasonal volatility, or otherwise affect the prices we pay for fuel gas.

Costs of compliance may increase and operational delays or restrictions may occur as existing laws and regulations are revised or reinterpreted, or as new laws and regulations become applicable to our operations, each of which has occurred in the past.

Government authorities and other organizations continue to study health, safety and environmental aspects of oil and natural gas operations, including those related to air, soil and water quality, ground movement or seismicity and natural resources. Government authorities have also adopted or proposed new or more stringent requirements for permitting, well construction and public disclosure or environmental review of, or restrictions on, oil and natural gas operations. Such requirements or associated litigation could result in potentially significant added costs to comply, delay or curtail our exploration, development, fluid injection and disposal or production activities, and preclude us from drilling, completing or stimulating wells, which could have an adverse effect on our expected production, other operations and financial condition.

Estimates of proved reserves and related future net cash flows are not precise. The actual quantities of our proved reserves and future net cash flows may prove to be lower than estimated.

Estimation of reserves and related future net cash flows is a partially subjective process of estimating accumulations of oil and natural gas that includes many uncertainties. Our estimates are based on various assumptions, which may ultimately prove to be inaccurate, including:

- the similarity of reservoir performance in other areas to expected performance from our assets;
- the quality, quantity and interpretation of available relevant data;
- commodity prices (see “—Oil, natural gas and NGL prices are volatile.”);
- production and operating costs;

- ad valorem, excise and income taxes;
- development costs;
- the effects of government regulations; and
- future workover and asset retirement costs.

Misunderstanding these variables, inaccurate assumptions, changed circumstances or new information could require us to make significant negative reserves revisions.

We currently expect improved recovery, extensions and discoveries to be our main sources for reserves additions. However, factors such as the availability of capital, geology, government regulations and permits, the effectiveness of development plans and other factors could affect the source or quantity of future reserves additions. Any material inaccuracies in our reserves estimates could materially affect the net present value of our reserves, which could adversely affect our borrowing base and liquidity under the RBL Facility, as well as our results of operations.

Unless we replace oil and natural gas reserves, our future reserves and production will decline.

Unless we conduct successful development and exploration activities or acquire properties containing proved reserves, our proved reserves will decline as those reserves are produced. Reduced capital investment may result in a decline in our reserves. Our ability to make the necessary long-term capital investments or acquisitions needed to maintain or expand our reserves may be impaired to the extent cash flow from operations or external sources of capital are insufficient. We may not be successful in developing, exploring for or acquiring additional reserves. Over the long-term, a continuing decline in our production and reserves would reduce our liquidity and ability to satisfy our debt obligations by reducing our cash flow from operations and the value of our assets.

Drilling for and producing oil and natural gas are high risk activities with many uncertainties that could adversely affect our business, financial condition or results of operations.

Our future financial condition and results of operations will depend on the success of our development, production and acquisition activities, which are subject to numerous risks beyond our control, including the risk that drilling will not result in commercially viable or economically desirable oil and natural gas production or may result in a downward revision of our estimated proved reserves due to:

- poor production response;
- ineffective application of recovery techniques;
- increased costs of drilling, completing, stimulating, equipping, operating, maintaining and abandoning wells; and
- delays or cost overruns caused by equipment failures, accidents, environmental hazards, adverse weather conditions, permitting or construction delays, title disputes, surface access disputes and other matters.

Our decisions to develop or purchase prospects or properties will depend, in part, on the evaluation of data obtained through geophysical and geological analyses, production data and engineering studies, the results of which are often inconclusive or subject to varying interpretations. For a discussion of the uncertainty involved in these processes, see “—Estimates of proved reserves and related future net cash flows are not precise. The actual quantities of our proved reserves and future net cash flows may prove to be lower than estimated.” In addition, our cost of drilling, completing and operating wells is often uncertain.

Further, many additional factors may curtail, delay or cancel our scheduled drilling projects and ongoing operations, including the following:

- delays imposed by, or resulting from, compliance with regulatory requirements, including limitations on wastewater disposal, emission of greenhouse gases ("GHGs"), steam injection and well stimulation;
- pressure or irregularities in geological formations;
- shortages of or delays in obtaining equipment and qualified personnel or in obtaining water for steam used in production or pressure maintenance;
- lack of available gathering facilities or delays in construction of gathering facilities;
- lack of available capacity on interconnecting transmission pipelines; and
- other market limitations in our industry.

Any of these risks can cause substantial losses, including personal injury or loss of life, damage to property, reserves and equipment, pollution, environmental contamination and regulatory penalties.

We may not drill our identified sites at the times we scheduled or at all.

We have specifically identified locations for drilling over the next several years, which represent a significant part of our long-term growth strategy. Our actual drilling activities may materially differ from those presently identified. If future drilling results in these projects do not establish sufficient reserves to achieve an economic return, we may curtail drilling or development of these projects. We make assumptions that may prove inaccurate about the consistency and accuracy of data when we identify these locations. We cannot guarantee that these prospective drilling locations or any other drilling locations we have identified will ever be drilled or if we will be able to produce oil or natural gas from these drilling locations. In addition, some of our leases could expire if we do not establish production in the leased acreage. The combined net acreage covered by leases expiring in the next three years represented approximately 2% of our total net undeveloped acreage at December 31, 2017.

Our existing debt agreements have restrictive covenants that could limit our growth, financial flexibility and our ability to engage in certain activities.

The RBL Facility and the indenture governing our 2026 Notes have restrictive covenants that could limit our growth, financial flexibility and our ability to engage in activities that may be in our long-term best interests. These agreements contain covenants, that, among other things, limit our ability to:

- incur or guarantee additional indebtedness;
- make loans to others;
- make investments;
- merge or consolidate with another entity;
- make dividends and certain other payments in respect of our equity;
- hedge future production or interest rates;
- create liens that secure indebtedness;
- transfer or sell assets;
- enter into transactions with affiliates; and
- engage in certain other transactions without the prior consent of the lenders.

In addition, the RBL Facility requires us to maintain certain financial ratios or to reduce our indebtedness if we are unable to comply with such ratios, which may limit our ability to borrow funds to withstand a future downturn in our business or the economy in general, or to otherwise conduct necessary corporate activities. We may also be prevented from taking advantage of business opportunities that arise because of these limitations.

Our failure to comply with these covenants could result in an event of default that, if not cured or waived, could result in the acceleration of all of our indebtedness. If that occurs, we may not be able to make all of the required payments or borrow sufficient funds to refinance such indebtedness. Even if new financing were available at that time, it may not be on terms that are acceptable to us.

We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our debt arrangements, which may not be successful.

Our ability to make scheduled payments on or to refinance our indebtedness obligations, including our RBL Facility and our 2026 Notes, depends on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and certain financial, business and other factors that may be beyond our control. If oil and natural gas prices were to deteriorate and remain at low levels for an extended period of time, our cash flows from operating activities may be insufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness.

If our cash flows and capital resources were insufficient to fund debt service obligations, we may be forced to reduce or delay investments and capital expenditures, sell assets, seek additional capital or restructure or refinance indebtedness. Our ability to restructure or refinance indebtedness would depend on the condition of the capital markets and our financial condition at such time, including the view of the markets of our credit risk after recent defaults. Any refinancing of indebtedness could be at higher interest rates and may require us to comply with new covenants that further restrict business operations and opportunities. In the absence of sufficient cash flows and capital resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet debt service and other obligations. Our RBL Facility currently restricts our ability to dispose of assets and our use of the proceeds from any such disposition. We may not be able to consummate dispositions, and the proceeds of any such disposition may not be adequate to meet any debt service obligations then due. These alternative measures may not be successful and may not permit us to meet scheduled debt service obligations.

Competition in the oil and natural gas industry is intense, making it more difficult for us to acquire properties, market oil or natural gas and secure trained personnel.

Our ability to acquire additional prospects and to find and develop reserves in the future will depend on our ability to evaluate and select suitable properties for acquisitions and to consummate transactions in a highly competitive environment for acquiring properties, marketing oil and natural gas and securing trained personnel. Also, there is substantial competition for capital available for investment in the oil and natural gas industry. Many of our competitors possess and employ greater financial, technical and personnel resources than we do. In California, where we have the most experience operating, our competitors are few and large, which may limit available acquisition opportunities. Our competitors may also be able to pay more for productive properties and exploratory prospects and to evaluate, bid for and purchase a greater number of properties and prospects than our financial or personnel resources permit. In addition, other companies may be able to offer better compensation packages to attract and retain qualified personnel than we are able to offer. The cost to attract and retain qualified personnel has historically continually increased due to competition and may increase substantially in the future. We may not be able to compete successfully in the future in acquiring prospective reserves, developing reserves, marketing hydrocarbons, attracting and retaining quality personnel and raising additional capital.

We may be unable to make attractive acquisitions or successfully integrate acquired businesses or assets or enter into attractive joint ventures, and any inability to do so may disrupt our business and hinder our ability to grow.

In the future, we may make acquisitions of assets or businesses that we believe complement or expand our current business. However, there is no guarantee we will be able to identify or complete attractive acquisition opportunities. Competition for acquisitions may also increase the cost of, or cause us to refrain from, completing acquisitions. The success of completed acquisitions will depend on our ability to integrate effectively the acquired business into our existing operations. The process of integrating acquired businesses may involve unforeseen difficulties and may require a disproportionate amount of our managerial and financial resources. In addition, possible future acquisitions may be larger and for purchase prices significantly higher than those paid for earlier acquisitions. No assurance can be given that we will be able to identify additional suitable acquisition opportunities, negotiate acceptable terms, obtain financing for acquisitions on acceptable terms or successfully acquire identified targets.

In addition, our debt arrangements impose certain limitations on our ability to enter into mergers or combination transactions and to incur certain indebtedness, which could indirectly limit our ability to acquire assets and businesses. See "—Our existing debt agreements have restrictive covenants that could limit our growth, financial flexibility and our ability to engage in certain activities."

We are dependent on our cogeneration facilities and deteriorations in the electricity market and regulatory changes in California may materially and adversely affect our financial condition, results of operations and cash flows.

We are dependent on five cogeneration facilities that, combined, provide approximately 24% of our steam capacity and 43% of our field electricity needs in California at a discount to market rates. These facilities are dependent on viable contracts for the sale of electricity. To further offset our costs, we sell surplus power to California utility companies produced by three of our cogeneration facilities under long-term contracts. Market fluctuations in electricity prices and regulatory changes in California could adversely affect the economics of our cogeneration facilities and any corresponding increase in the price of steam could significantly impact our operating costs. If we were unable to find new or replacement steam sources, to lose existing sources or to experience installation delays, we may be unable to maximize production from our heavy oil assets. If we were to lose our electricity sources, we would be subject to the electricity rates we could negotiate for our needs. For a more detailed discussion of our electricity sales contracts, see "Business —Operational Overview—Electricity."

Future declines in commodity prices, changes in expected capital development, increases in operating costs or adverse changes in well performance may result in write-downs of the carrying amounts of our assets.

Accounting rules require that we periodically review the carrying value of our properties for possible impairment. We evaluate the impairment of our oil and natural gas properties whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Based on specific market factors and circumstances at the time of prospective impairment reviews, and the continuing evaluation of development plans, production data, economics and other factors, we may be required to write down the carrying value of our properties. A write down constitutes a non-cash charge to earnings. For the year ended December 31, 2016, we recorded noncash impairment charges of approximately $1.0 billion. Future declines in oil, natural gas and NGL prices, changes in expected capital development, increases in operating costs or adverse changes in well performance, among other things, may require additional material write-downs of the carrying amounts of our assets, which could materially and adversely affect our results of operations in the period incurred.

The inability of one or more of our customers to meet their obligations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have significant concentrations of credit risk with the purchasers of our oil and natural gas. For the year ended December 31, 2016, sales of oil, natural gas and NGLs to Tesoro Corporation and Phillips 66 accounted for approximately 34% and 28%, respectively, of our sales.

Due to the terms of supply agreements with our customers, we may not know that a customer is unable to make payment to us until almost two months after production has been delivered. This concentration of purchasers may impact our overall credit risk in that these entities may be similarly affected by changes in economic conditions or commodity price fluctuations. We do not require our customers to post collateral. If the purchasers of our oil and natural gas become insolvent, we may be unable to collect amounts owed to us.

Our producing properties are located primarily in California, making us vulnerable to risks associated with having operations concentrated in this geographic area.

We operate primarily in California. Because of this geographic concentration, the success and profitability of our operations may be disproportionately exposed to the effects of conditions there. These conditions include local price fluctuations, changes in state or regional laws and regulations affecting our operations, limited acquisition opportunities where we have the most operating experience and other regional supply and demand factors, including gathering, pipeline and transportation capacity constraints, limited potential customers, infrastructure capacity and availability of rigs, equipment, oil field services, supplies and labor. For a discussion of regulatory risks, see "—Our business is highly regulated and governmental authorities can delay or deny permits and approvals or change legal requirements governing our operations, including well stimulation, enhanced production techniques and fluid injection or disposal, that could increase costs, restrict operations and delay our implementation of, or cause us to change, our business strategy." The concentration of our operations in California and limited local storage options also increase our exposure to events such as natural disasters, including wildfires, mechanical failures, industrial accidents or labor difficulties.

Operational issues and inability or unwillingness of third parties to provide sufficient facilities and services to us on commercially reasonable terms or otherwise could restrict access to markets for the commodities we produce.

Our ability to market our production of oil, gas and NGLs depends on a number of factors, including the proximity of production fields to pipelines and terminal facilities, competition for capacity on such facilities and the ability of such facilities to gather, transport or process our production. If these facilities are unavailable to us on commercially reasonable terms or otherwise, we could be forced to shut in some production or delay or discontinue drilling plans and commercial production following a discovery of hydrocarbons. We rely, and expect to rely in the future, on facilities developed and owned by third parties in order to store, process, transmit and sell our production. Our plans to develop and sell our reserves could be materially and adversely affected by the inability or unwillingness of third parties to provide sufficient facilities and services to us on commercially reasonable terms or otherwise. The amount of oil, gas and NGLs that can be produced is subject to limitation in certain circumstances, such as pipeline interruptions due to scheduled and unscheduled maintenance, excessive pressure, damage to the gathering, transportation, refining or processing facilities, or lack of capacity on such facilities. If our access to markets for commodities we produce is restricted, our costs could increase and our expected production growth may be impaired.

If our assets become subject to FERC regulation or federal, state or local regulations or policies change, or if we fail to comply with market behavior rules, our financial condition, results of operations and cash flows could be materially and adversely affected.

Our gathering and transportation operations are exempt from regulation by the Federal Energy Regulatory Commission ("FERC") FERC, under the Natural Gas Act ("NGA"). Section 1(b) of the NGA, exempts natural

gas gathering facilities from regulation by the FERC under the NGA. Although the FERC has not made any formal determinations with respect to any of our facilities, we believe that the natural gas pipelines in our gathering systems meet the traditional tests the FERC has used to establish whether a pipeline is a gathering pipeline not subject to FERC jurisdiction. The distinction between FERC- regulated transmission services and federally unregulated gathering services, however, has been the subject of substantial litigation, and the FERC determines whether facilities are gathering facilities on a case-by-case basis, so the classification and regulation of our gathering facilities may be subject to change based on future determinations by the FERC, the courts, or Congress. If the FERC were to consider the status of an individual facility and determine that the facility or services provided by it are not exempt from FERC regulation under the NGA, the rates for, and terms and conditions of, services provided by such facility would be subject to regulation by the FERC under the NGA or the Natural Gas Policy Act ("NGPA"). Such regulation could decrease revenue, increase operating costs, and, depending upon the facility in question, could adversely affect our results of operations and cash flows.

State regulation of natural gas gathering facilities and intrastate transportation pipelines generally includes various safety, environmental and, in some circumstances, nondiscriminatory take and common purchaser requirements, as well as complaint-based rate regulation. Other state regulations may not directly apply to our business, but may nonetheless affect the availability of natural gas for purchase, compression and sale.

Moreover, FERC regulations indirectly impact our businesses and the markets for products derived from these businesses. The FERC's policies and practices across the range of its natural gas regulatory activities, including, for example, its policies on open access transportation, market manipulation, ratemaking, gas quality, capacity release and market center promotion, indirectly affect the intrastate natural gas market. Should we fail to comply with any applicable FERC administered statutes, rules, regulations and orders, we could be subject to substantial penalties and fines, which could have a material adverse effect on our results of operations and cash flows. The FERC has civil penalty authority under the NGA and NGPA to impose penalties for current violations in excess of $1 million per day for each violation and disgorgement of profits associated with any violation.

For more information regarding federal and state regulation of our operations, please read "Business—Regulation of Health, Safety and Environmental Matters."

Certain U.S. federal income tax deductions currently available with respect to natural gas and oil exploration and development may be eliminated as a result of future legislation. In addition, potential future legislation may generally affect the taxation of natural gas and oil exploration and development companies, and may adversely affect our operations.

In past years, legislation has been proposed that would, if enacted into law, make significant changes to U.S. tax laws, including to certain key U.S. federal income tax provisions currently available to natural gas and oil exploration and development companies. Such legislative proposals have included, but not been limited to, (i) the repeal of the percentage depletion allowance for oil and natural gas properties, (ii) the elimination of current deductions for intangible drilling and development costs, and (iii) an extension of the amortization period for certain geological and geophysical expenditures. Although no such provisions were included in the recently enacted 2017 budget reconciliation act commonly referred to as the Tax Cuts and Jobs Act, no accurate prediction can be made as to whether any legislation will be proposed or enacted in the future that includes some or all of these proposals or, if enacted, what the specific provisions or the effective date of any such legislation would be. The passage of any legislation as a result of these proposals or any similar changes in U.S. federal income tax laws could eliminate or postpone certain tax deductions that currently are available with respect to oil and natural gas development, or increase costs, and any such changes could have an adverse effect on our financial position, results of operations and cash flows. Moreover, other more general features of tax reform legislation may be enacted that could change the taxation of natural gas and oil exploration and development companies. Future legislation could potentially adversely affect our business, operating results and financial condition.

Furthermore, in California, there have been proposals for new taxes on oil and natural gas production. Although the proposals have not become law, campaigns by various interest groups could lead to future additional oil and natural gas severance or other taxes. The imposition of such taxes could significantly reduce our profit margins and cash flow and could ultimately result in lower oil and natural gas production, which may reduce our capital investments and growth plans.

The enactment of derivatives legislation, and the promulgation of regulations pursuant thereto, could have an adverse effect on our ability to use derivative instruments to reduce the effect of risks associated with our business.

The Dodd-Frank Act, enacted in 2010, establishes federal oversight and regulation of the over-the-counter ("OTC") derivatives market and entities, like us, that participate in that market. Among other things, the Dodd-Frank Act required the Commodity Futures Trading Commission to promulgate a range of rules and regulations applicable to OTC derivatives transactions, and these rules may affect both the size of positions that we may enter and the ability or willingness of counterparties to trade opposite us, potentially increasing costs for transactions. Moreover, such changes could materially reduce our hedging opportunities which could adversely affect our revenues and cash flow during periods of low commodity prices. While many Dodd-Frank Act regulations are already in effect, the rulemaking and implementation process is ongoing, and the ultimate effect of the adopted rules and regulations and any future rules and regulations on our business remains uncertain.

In addition, the European Union and other non-U.S. jurisdictions are implementing regulations with respect to the derivatives market. To the extent we transact with counterparties in foreign jurisdictions or counterparties with other businesses that subject them to regulation in foreign jurisdictions, we may become subject to or otherwise impacted by such regulations. At this time, the impact of such regulations is not clear.

Concerns about climate change and other air quality issues may affect our operations or results.

Concerns about climate change and regulation of GHGs and other air quality issues may materially affect our business in many ways, including by increasing the costs to provide our products and services, and reducing demand for, and consumption of, the oil and gas we produce. We may be unable to recover or pass through all or any of these costs. In addition, legislative and regulatory responses to such issues may increase our operating costs and render certain wells or projects uneconomic. To the extent financial markets view climate change and GHG emissions as a financial risk, this could adversely impact our cost of, and access to, capital. Both California and the United States Environmental Protection Agency ("EPA") have adopted laws, and policies that seek to reduce GHG emissions as discussed in "Business—Regulation of Health, Safety and Environmental Matters—Climate Change" and "Business—Regulation of Health, Safety and Environmental Matters—California GHG Regulations." Compliance with California cap and trade program laws and regulations could significantly increase our capital, compliance and operating costs and could also reduce demand for the oil and natural gas we produce. The cost to acquire GHG emissions allowances will depend on the market price for such instruments at the time they are purchased, the distribution of cost-free allowances among various industry sectors by the California Air Resources Board, and our ability to limit GHG emissions and implement cost-containment measures.

In addition, other current and proposed international agreements and federal and state laws, regulations and policies seek to restrict or reduce the use of petroleum products in transportation fuels and electricity generation, impose additional taxes and costs on producers and consumers of petroleum products, and require or subsidize the use of renewable energy.

Governmental authorities can impose administrative, civil and criminal penalties for non-compliance with air permits or other requirements of the federal Clean Air Act ("CAA") and associated state laws and regulations. In addition, California air quality laws and regulations, particularly in southern and central California where most of our operations are located, are in most instances more stringent than analogous federal laws and regulations.

For example, the San Joaquin Valley will be required to adopt more rigorous attainment plans under the CAA to comply with federal ozone and particulate matter standards, and these efforts could affect our activities in the region.

We may incur substantial losses and be subject to substantial liability claims as a result of catastrophic events. We may not be insured for, or our insurance may be inadequate to protect us against, these risks.

We are not fully insured against all risks. Our oil and natural gas exploration and production activities, including well drilling, completion, stimulation, maintenance and abandonment activities, are subject to oil and natural gas operational risks such as fires, explosions, oil and natural gas leaks, oil spills, pipeline and tank ruptures and unauthorized discharges of brine, well stimulation and completion fluids, toxic gases or other pollutants into the surface and subsurface environment, equipment failures and industrial accidents. Other catastrophic events such as earthquakes, floods, mudslides, fires, droughts, terrorist attacks and other events that cause operations to cease or be curtailed may adversely affect our business and the communities in which we operate. We may be unable to obtain, or may elect not to obtain, insurance for certain risks if we believe that the cost of available insurance is excessive relative to the risks presented.

We may be involved in legal proceedings that could result in substantial liabilities.

Similar to many oil and natural gas companies, we are from time to time involved in various legal and other proceedings, such as title, royalty or contractual disputes, regulatory compliance matters and personal injury or property damage matters, in the ordinary course of our business. We are also subject to litigation related to the Chapter 11 Proceeding. Such legal proceedings are inherently uncertain and their results cannot be predicted. Regardless of the outcome, such proceedings could have a material adverse impact on us because of legal costs, diversion of management and other personnel and other factors. In addition, resolution of one or more such proceedings could result in liability, loss of contractual or other rights, penalties or sanctions, as well as judgments, consent decrees or orders requiring a change in our business practices. Accruals for such liability, penalties or sanctions may be insufficient, and judgments and estimates to determine accruals or range of losses related to legal and other proceedings could change from one period to the next, and such changes could be material.

The loss of senior management or technical personnel could adversely affect operations.

We depend on the services of our senior management and technical personnel. We do not maintain, nor do we plan to obtain, any insurance against the loss of services of any of these individuals. The loss of the services of our senior management or technical personnel could have a material adverse effect on our business, financial condition and results of operations.

Information technology failures and cyber attacks could affect us significantly.

We rely on electronic systems and networks to communicate, control and manage our operations and prepare our financial management and reporting information. If we record inaccurate data or experience infrastructure outages, our ability to communicate and control and manage our business could be adversely affected.

In addition, as a producer of oil, natural gas and NGLS, we face various security threats, including cybersecurity threats to gain unauthorized access to sensitive information or to render data or systems unusable; threats to the security of our facilities and infrastructure or third party facilities and infrastructure, such as processing plants and pipelines; and threats from terrorist acts. The potential for such security threats has subjected our operations to increased risks that could have a material adverse effect on our business. In particular, our implementation of various procedures and controls to monitor and mitigate security threats and to increase security for our information, facilities and infrastructure may result in increased capital and operating

costs. Moreover, there can be no assurance that such procedures and controls will be sufficient to prevent security breaches from occurring. If any of these security breaches were to occur, they could lead to losses of sensitive information, critical infrastructure or capabilities essential to our operations and could have a material adverse effect on our reputation, financial position, results of operations or cash flows. Cyber attacks on businesses have escalated in recent years and are becoming more sophisticated and include, but are not limited to, malicious software, attempts to gain unauthorized access to data and systems, and other electronic security breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information, and corruption of data. If we were to experience an attack and our security measures failed, the potential consequences to our business and the communities in which we operate could be significant and could lead to financial losses from remedial actions, loss of business or potential liability.

Risks Related to Emergence

We recently emerged from bankruptcy, which could adversely affect our business and relationships.

The Chapter 11 Proceeding and our recent emergence from bankruptcy could adversely affect our business and relationships with customers, vendors, royalty and working interest owners, employees, service providers and suppliers. The following are among the risks associated with our emergence:

- vendors or other contract counterparties could terminate their relationship or require financial assurances or enhanced performance;
- our ability to renew existing contracts and compete for new business may be adversely affected; and
- our ability to attract, motivate and retain key executives and employees may be adversely affected.

Our financial condition or results of operations will not be comparable to the financial condition or results of operations reflected in our historical financial statements.

Since February 28, 2017, we have been operating under a new capital structure. In addition, we adopted fresh-start accounting and, as a result, at February 28, 2017 our assets and liabilities were recorded at fair value, which are materially different than amounts reflected in our historical financial statements. Accordingly, our financial condition and results of operations from and after the Effective Date will not be comparable to the financial condition or results of operations reflected in our historical financial statements included elsewhere in this prospectus. Further, as a result of the implementation of the Plan and the transactions contemplated thereby, our historical financial information may not be indicative of our future financial performance.

Due to our limited operating history as an independent company following our emergence from bankruptcy in February 2017, we have been in the process of establishing our accounting and other management systems and resources. We may be unable to effectively develop a mature system of internal controls, and a failure of our control systems to prevent error or fraud may materially harm our company.

Our predecessor company was an indirect, wholly-owned subsidiary of LINN Energy, and we utilized LINN Energy's systems, software and personnel to prepare our financial information and to ensure that adequate internal controls over financial reporting were in place. Following our emergence from bankruptcy in February 2017, we assumed responsibility for these functions. In the course of transitioning these functions, we put in place a new executive management team and continue to add personnel, upgrade our systems, including information technology, and implement additional financial and managerial controls, reporting systems and procedures. These activities place significant demands on our management, administrative and operational resources, including accounting resources, and involve risks relating to our failure to manage this transition adequately.

In addition, proper systems of internal controls over financial accounting and disclosure controls and procedures are critical to the operation of a public company. If we are unable to effectively develop a mature system of internal controls, we may be unable to reliably assimilate and compile financial information about our company, which would significantly impair our ability to prevent error, detect fraud or access capital markets.

A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Failure of our control systems to prevent error or fraud could materially adversely impact us.

Our limited operating history makes it difficult to evaluate our business plan and our long-term viability cannot be assured.

Our prospects for financial success are difficult to assess because we have a limited operating history since emergence from bankruptcy. There can be no assurance that our business will be successful, that we will be able to achieve or maintain a profitable operation, or that we will not encounter unforeseen difficulties that may deplete our capital resources more rapidly than anticipated. There can be no assurance that we will achieve or sustain profitability or positive cash flows from our operating activities.

Following our emergence from bankruptcy, we are under the management of a new board of directors.

Currently, our board of directors is made up of five directors, none of whom were involved in the management of our business prior to our bankruptcy. The new directors have different backgrounds, experiences and perspectives from those individuals who previously managed us and, thus, may have different views on our direction and the issues that will determine our future. The effect of implementation of those views may be difficult to predict and they may not lead us to achieve the goals we have set forth in this prospectus

Additionally, the ability of our new directors to quickly expand their knowledge of our operations, strategies and technologies will be critical to their ability to make informed decisions about our strategy and operations, particularly given the competitive environment in which our business operates. If our board of directors is not sufficiently informed to make these decisions, our ability to compete effectively and profitably could be adversely affected.

Two of our directors are also affiliated with entities holding a significant percentage of our stock. See "—There may be circumstances in which the interests of our significant stockholders could be in conflict with the interests of our other stockholders."

Risks Related to the Offering and our Capital Stock

There is currently no established public trading market for our outstanding common stock. Accordingly, the holders of our equity securities may have limited or no ability to sell their shares.

There is currently no established public trading market for our outstanding common stock, although our common stock has been quoted on the OTC Grey Market under the symbol "BRRP." We cannot predict the extent to which investor interest in our company will lead to the development of a trading market on the , or otherwise, or how active and liquid that market may become. The trading price on the may bear no relation to the historical prices on the OTC Grey Market. There can be no assurance that a market for any of our equity securities will be established or that, if established, a market will be sustained. Therefore, holders of our equity securities may be unable to sell their shares.

The market price of our equity securities could be subject to wide fluctuations in response to, and the level of trading that develops for our equity securities may be affected by, numerous factors, many of which are beyond our control. These factors include, among other things, our limited trading history, our limited trading volume, the concentration of holdings of our equity securities, the lack of comparable historical financial information, in certain material respects, given the adoption of fresh start accounting, actual or anticipated variations in our operating results and cash flows, the nature and content of our earnings releases, announcements or events that impact our assets, customers, competitors or markets, business conditions in our markets and the general state of the securities markets and the market for energy-related stocks, as well as general economic and market conditions and other factors that may affect our future results, including those described in this prospectus. No assurance can be given that an active market will develop for our equity securities or as to the liquidity of the trading market for our equity securities. If an active trading market does not develop or is not maintained, significant sales of our equity securities, or the expectation of these sales, could materially and adversely affect the market price of our equity securities.

There may be circumstances in which the interests of our significant stockholders could be in conflict with the interests of our other stockholders.

As of , 2018, a majority of our outstanding common stock and our outstanding Series A Preferred Stock, which have voting rights identical to our common stock (with limited exceptions), was beneficially owned by a relatively small number of stockholders. Circumstances may arise in which these stockholders may have an interest in pursuing or preventing acquisitions, divestitures or other transactions, including the issuance of additional equity or debt, that, in their judgment, could enhance their investment in Berry Corp. or another company in which they invest. Such transactions might adversely affect us or other holders of our common stock or Series A Preferred Stock. In addition, our significant concentration of share ownership may adversely affect the trading price of our common shares because investors may perceive disadvantages in owning shares in companies with significant stockholder concentrations.

Our significant stockholders and their affiliates are not limited in their ability to compete with us, and the corporate opportunity provisions in the Certificate of Incorporation could enable our significant stockholders to benefit from corporate opportunities that might otherwise be available to us.

Our governing documents provide that our stockholders and their affiliates are not restricted from owning assets or engaging in businesses that compete directly or indirectly with us. In particular, subject to the limitations of applicable law, the Amended and Restated Certificate of Incorporation of Berry Corp. filed with the Secretary of State of the State of Delaware ("the Certificate of Incorporation"), among other things:

- permits stockholders to make investments in competing businesses; and
- provides that if one of our directors who is also an employee, officer or director of a stockholder (a "Dual Role Person") becomes aware of a potential business opportunity, transaction or other matter, they will have no duty to communicate or offer that opportunity to us.

Our directors that are Dual Role Persons may become aware, from time to time, of certain business opportunities (such as acquisition opportunities) and may direct such opportunities to other businesses in which our stockholders have invested, in which case we may not become aware of or otherwise have the ability to pursue such opportunity. Further, such businesses may choose to compete with us for these opportunities, possibly causing these opportunities to not be available to us or causing them to be more expensive for us to pursue. In addition, our stockholders and their affiliates may dispose of oil and natural gas properties or other assets in the future, without any obligation to offer us the opportunity to purchase any of those assets. As a result, our waiving our interest and expectancy in any business opportunity that may be from time to time presented to any Dual Role Person could adversely impact our business or prospects if attractive business opportunities are procured by our stockholders for their own benefit rather than for ours.

Certain of our stockholders and their affiliates have resources greater than ours, which may make it more difficult for us to compete with such persons with respect to commercial activities as well as for potential acquisitions. As a result, competition from certain stockholders and their affiliates could adversely impact our results of operations.

Investors in this offering will experience immediate and substantial dilution of $ per share.

Based on an assumed initial public offering price of $ per share (the midpoint of the range set forth on the cover of this prospectus), purchasers of our common stock in this offering will experience an immediate and substantial dilution of $ per share in the as adjusted net tangible book value per share of common stock from the initial public offering price, and our as adjusted net tangible book value as of December 31, 2017 after giving effect to this offering would be $ per share. This dilution is due in large part to earlier investors having paid substantially less than the initial public offering price when they purchased their shares. See "Dilution."

Future sales of our common stock in the public market, or the perception that such sales may occur, could reduce our stock price, and any additional capital raised by us through the sale of equity or convertible securities may dilute your ownership in us.

We may sell additional shares of common stock in subsequent public offerings. We may also issue additional shares of common stock or securities convertible into shares of our common stock. The Certificate of Incorporation provides that Berry Corp.'s authorized capital stock consists of 750,000,000 shares of common stock and 250,000,000 shares of preferred stock. After the completion of this offering, we will have outstanding shares of common stock. This number includes shares that we and the selling stockholders are selling in this offering and shares that we may sell in this offering if the underwriters' over-allotment option is fully exercised. We have entered into the Registration Rights Agreement (as defined below) with certain of our stockholders, including the selling stockholders, pursuant to which such stockholders have the right, subject to various conditions and limitations, to demand the filing of a registration statement covering their shares of our common stock and to demand the Company to support underwritten sales of such shares, subject to the limitations specified in the Registration Rights Agreement. By exercising their registration rights and causing a large number of shares to be registered and sold in the public market, these holders could cause the price of our common stock to significantly decline. See "Description of Capital Stock—Registration Rights"

The issuance of any securities for acquisition, financing or other purposes, upon conversion or exercise of convertible securities, or otherwise may result in a reduction of the book value and market price of our outstanding common stock. If we issue any such additional securities, the issuance will cause a reduction in the proportionate ownership and voting power of all current stockholders. We cannot predict the size of future issuances of our common stock or securities convertible into common stock or the effect, if any, that future issuances and sales of shares of our common stock will have on the market price of our common stock. Sales of substantial amounts of our common stock (including shares issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices of our common stock.

Shares of our common stock are reserved for issuance as equity-based awards to employees, directors and certain other persons under the 2017 Incentive Plan. In connection with this offering, we intend to file a registration statement with the SEC on Form S-8 providing for the registration of 6,876,500 shares of our common stock issued or reserved for issuance under our 2017 Incentive Plan. Subject to the satisfaction of vesting conditions, the expiration of lock-up agreements and the requirements of Rule 144, shares registered under the registration statement on Form S-8 may be made available for resale immediately in the public market without restriction. Investors may experience dilution in the value of their investment upon the exercise of any equity awards that may be granted or issued pursuant to the 2017 Incentive Plan in the future.

Our shares of Series A Preferred Stock are entitled to certain rights, privileges and preferences over our common stock.

Our Series A Preferred Stock ranks senior to our common stock with respect to dividend rights, redemption rights, sale, merger or change of control preference and rights on liquidation, dissolution and winding up of the affairs of Berry Corp. Holders of our Series A Preferred Stock are entitled to receive specified dividend payments, if we declare a dividend, and specified liquidating distributions, if we are liquidated, in each case in preference to holders of our common stock.

Additionally, our Series A Preferred Stock is convertible into shares of our common stock. The right to convert provides holders of our Series A Preferred Stock with an opportunity to profit from a rise in the market price of our common stock such that conversion of the Series A Preferred Stock could result in dilution of the equity interests of our common stockholders.

We are an "emerging growth company," and will be able take advantage of reduced disclosure requirements applicable to "emerging growth companies," which could make our common stock less attractive to investors.

We are an "emerging growth company" and, for as long as we continue to be an "emerging growth company," we intend to take advantage of certain exemptions from various reporting requirements applicable to public companies that are not "emerging growth companies," including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We could be an "emerging growth company" for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed $1.07 billion, (ii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, or (iii) the date on which we have issued more than $1 billion in non-convertible debt during the preceding three year period.

"Emerging growth companies" can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We intend to take advantage of all of the reduced reporting requirements and exemptions, including the longer phase-in periods for the adoption of new or revised financial accounting standards under Section 107 of the JOBS Act until we are no longer an emerging growth company. Our election to use the phase-in periods permitted by this election may make it difficult to compare our financial statements to those of non-emerging growth companies and other emerging growth companies that have opted out of the longer phase-in periods under Section 107 of the JOBS Act and who will comply with new or revised financial accounting standards. If we were to subsequently elect instead to comply with these public company effective dates, such election would be irrevocable pursuant to Section 107 of the JOBS Act.

If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

We will incur significantly increased costs and devote substantial management time as a result of operating as a public company, particularly after we are no longer an "emerging growth company."

As a public company, we will incur significant legal, accounting and other expenses. For example, we will be required to comply with applicable requirements of the Sarbanes-Oxley Act and the Dodd-Frank Act, as well as rules and regulations subsequently implemented by the SEC, including the establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. Our management and other personnel will need to divert attention from operational and other business matters to devote substantial time to these public company requirements. In addition, after we no longer qualify as an "emerging growth

company," we expect to incur additional management time and cost to comply with the more stringent reporting requirements applicable to companies that are deemed accelerated filers or large accelerated filers, including complying with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. We currently do not have an internal audit function, and we will need to hire or contract for additional accounting and financial staff with appropriate public company experience and technical accounting knowledge.

If we do not develop and implement all required financial reporting and disclosure procedures and controls, we may be unable to provide the financial information required of a U.S. publicly traded company in a timely and reliable manner.

Prior to this offering, we were not required to adopt or maintain all of the financial reporting and disclosure procedures and controls required of a U.S. publicly traded company because we were a privately held company. If we fail to develop and maintain effective internal controls and procedures and disclosure procedures and controls, we may be unable to provide financial information and required SEC reports that a U.S. publicly traded company is required to provide in a timely and reliable fashion. Any such delays or deficiencies could penalize us, including by limiting our ability to obtain financing, either in the public capital markets or from private sources and hurt our reputation and could thereby impede our ability to implement our growth strategy.

Our internal control over financial reporting is not currently required to meet the standards required by Section 404 of the Sarbanes-Oxley Act, but failure to achieve and maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act in the future could have a material adverse effect on our business and share price.

Section 404 of the Sarbanes-Oxley Act requires annual management assessments of the effectiveness of our internal control over financial reporting, starting with the second annual report that we file with the SEC after the consummation of our initial public offering, and generally requires a report by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. However, under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until we are no longer an "emerging growth company," which could be up to five years from now. Once we are no longer an "emerging growth company," our independent registered public accounting firm may be required to attest to the effectiveness of our internal control over financial reporting on an annual basis. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation.

In connection with the implementation of the necessary procedures and practices related to internal control over financial reporting, we may identify deficiencies that we may not be able to remediate in time to meet the deadline imposed by the Sarbanes-Oxley Act. In addition, we may encounter problems or delays in completing the implementation of any remediation of control deficiencies and receiving a favorable attestation in connection with the attestation provided by our independent registered public accounting firm. Furthermore, failure to achieve and maintain an effective internal control environment could have a material adverse effect on our business and share price and could limit our ability to report our financial results accurately and timely.

Certain provisions of the Certificate of Incorporation and Bylaws, as well as the Stockholders Agreement (as defined below), may make it difficult for stockholders to change the composition of our board of directors and may discourage, delay or prevent a merger or acquisition that some stockholders may consider beneficial.

Certain provisions of the Certificate of Incorporation and the Amended and Restated Bylaws of Berry Corp. (the "Bylaws") may have the effect of delaying or preventing changes in control if our board of directors determines that such changes in control are not in the best interests of Berry Corp. and our stockholders. For example, the Certificate of Incorporation and Bylaws include provisions that (i) authorize our board of directors to issue "blank check" preferred stock and to determine the price and other terms, including preferences and

voting rights, of those shares without stockholder approval and (ii) establish advance notice procedures for nominating directors or presenting matters at stockholder meetings. Additionally, many of the largest holders of our equity securities are bound by the Stockholders Agreement, which requires them to vote their shares and take all other necessary actions to cause individuals designated by certain large stockholders to be elected to the board of directors until our third annual meeting of stockholders but not earlier than February 28, 2020.

These provisions could enable the board of directors to delay or prevent a transaction that some, or a majority, of the stockholders may believe to be in their best interests and, in that case, may discourage or prevent attempts to remove and replace incumbent directors. These provisions may also discourage or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management.

The underwriters of this offering may waive or release parties to the lock-up agreements entered into in connection with this offering, which could adversely affect the price of our common stock.

We, all of our directors and executive officers, and the selling stockholders have entered or will enter into lock-up agreements pursuant to which we and they will be subject to certain restrictions with respect to the sale or other disposition of our common stock for a period of days following the date of this prospectus. , at any time and without notice, may release all or any portion of the common stock subject to the foregoing lock-up agreements. See “Underwriting” for more information on these agreements. If the restrictions under the lock-up agreements are waived, then the common stock, subject to compliance with the Securities Act of 1933, as amended (the “Securities Act”) or exceptions therefrom, will be available for sale into the public markets, which could cause the market price of our common stock to decline and impair our ability to raise capital.

If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our common stock or if our operating results do not meet their expectations, our stock price could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if one or more of the analysts who cover our company downgrades our common stock or if our operating results do not meet their expectations, our stock price could decline.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information discussed in this prospectus includes "forward-looking statements." All statements, other than statements of historical facts, included herein concerning, among other things, planned capital expenditures, increases in oil and gas production, the number of anticipated wells to be drilled or completed, future cash flows and borrowings, pursuit of potential acquisition opportunities, our financial position, operating and financial projections, business strategy and other plans and objectives for future operations, are forward-looking statements. These forward-looking statements are identified by their use of terms and phrases such as "may," "expect," "estimate," "project," "plan," "believe," "intend," "achievable," "anticipate," "will," "continue," "potential," "should," "could," and similar terms and phrases. Although we believe that the expectations reflected in these forward-looking statements are reasonable, they do involve certain assumptions, risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including, among others:

- volatility of oil, natural gas and NGL prices;
- inability to generate sufficient cash flow from operations or to obtain adequate financing to fund capital expenditures and meet working capital requirements;
- price and availability of natural gas;
- our ability to use derivative instruments to manage commodity price risk;
- impact of environmental, health and safety, and other governmental regulations, and of current or pending legislation;
- uncertainties associated with estimating proved reserves and related future cash flows;
- our inability to replace our reserves through exploration and development activities;
- our ability to meet our proposed drilling schedule and to successfully drill wells that produce oil and natural gas in commercially viable quantities;
- effects of competition;
- our ability to make acquisitions and successfully integrate any acquired businesses;
- market fluctuations in electricity prices and the cost of steam;
- asset impairments from commodity price declines;
- large or multiple customer defaults on contractual obligations, including defaults resulting from actual or potential insolvencies;
- geographical concentration of our operations;
- our ability to improve our financial results and profitability following our emergence from bankruptcy and other risks and uncertainties related to our emergence from bankruptcy;
- changes in tax laws;
- impact of derivatives legislation affecting our ability to hedge;
- ineffectiveness of internal controls;
- concerns about climate change and other air quality issues;
- catastrophic events;
- litigation;
- our ability to retain key members of our senior management and key technical employees;

- information technology failures or cyber attacks; and
- other risks described in the section entitled “Risk Factors.”

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements in this section and elsewhere in this prospectus. Except as required by law, we do not assume a duty to update these forward-looking statements, whether as a result of new information, subsequent events or circumstances, changes in expectations or otherwise.

USE OF PROCEEDS

We expect to receive approximately $ million of net proceeds (assuming the midpoint of the price range set forth on the cover of this prospectus) from the sale of the common stock offered by us after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the sale of shares by the selling stockholders.

We intend to use the net proceeds we receive from this offering to repay outstanding borrowings under the RBL Facility and for general corporate purposes.

As of , 2018, we had approximately $ million in borrowings outstanding under the RBL Facility, with a weighted average interest rate of approximately %. Borrowings under the RBL Facility were primarily incurred to repay borrowings made under the Emergence Credit Facility (as defined below). Amounts repaid under the RBL Facility may be re-borrowed from time to time, subject to the terms of the facility, and we intend to do so from time to time for short-term liquidity and to fund periodic working capital shortfalls. The RBL Facility will mature on July 29, 2022.

A $1.00 increase or decrease in the assumed initial public offering price of $ per share (the midpoint of the price range set forth on the cover page of this prospectus) would cause the net proceeds from this offering, after deducting the underwriting discounts and commissions and estimated offering expenses, received by us to increase or decrease, respectively, by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same. If the proceeds increase due to a higher initial public offering price, we would use the additional net proceeds for general corporate purposes. If the proceeds decrease due to a lower initial public offering price, then we would first reduce by a corresponding amount the net proceeds directed to general corporate purposes and then, if necessary, the net proceeds directed to repay outstanding borrowings under our RBL Facility.

DIVIDEND POLICY

We have not paid dividends on our Securities to date and do not anticipate paying cash dividends in the immediate future as we contemplate that our cash flows will be used for debt reduction and growth. Holders of Series A Preferred Stock are entitled to receive, when, as and if declared by our board of directors, cumulative dividends at a rate per share of 6.00% per annum of the Series A Accreted Value (as defined in the Series A Certificate of Designation), with such dividends compounding quarterly. On each March 31, June 30, September 30 and December 31 of each year, the amount of any dividends unpaid since the previous regular dividend payment date is added to the liquidation preference by increasing the Series A Accreted Value by any such unpaid dividends in accordance with the terms of the Series A Certificate of Designation. Initially, the Series A Accreted Value was $10.00 per share. Dividends may be paid, at our option, either in cash or in additional shares of Series A Preferred Stock, with such shares of Series A Preferred Stock having a deemed value of $10.00 per share.

The payment of future dividends, if any, will be determined by our board of directors in light of conditions then existing, including our earnings, financial condition, capital requirements, restrictions in financing agreements, business conditions and other factors. We are subject to certain restrictive covenants under the terms of the agreements governing our indebtedness that limit our ability to pay cash dividends.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of September 30, 2017:

- on an actual basis;
- on an as adjusted basis to give effect to the 2018 Notes Offering and the application of net proceeds therefrom; and
- on an as further adjusted basis to give effect to our sale of shares of our common stock in this offering at an assumed initial public offering price of $ per share (which is the midpoint of the range set forth on the cover of this prospectus) and the application of the net proceeds we receive from this offering as set forth under "Use of Proceeds."

The information set forth in the table below is illustrative only and will be adjusted based on the actual initial public offering price and other final terms of this offering. This table should be read in conjunction with "Use of Proceeds", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes appearing elsewhere in this prospectus.

	As of September 30, 2017		
	Actual	As Adjusted	As Further Adjusted (1)
	(in millions)		
Cash and cash equivalents	$ 3	$ 16	$
Debt:			
RBL Facility(2)	$ 379	$ —	$
Senior Notes due 2026	—	400	
Total debt	379	400	
Stockholders' Equity			
Preferred Stock—$0.001 par value, shares authorized and issued and outstanding, actual; shares authorized and issued and outstanding, as adjusted; shares authorized and issued and outstanding, as further adjusted	335	335	
Common Stock—$0.001 par value, shares authorized and issued and outstanding, actual; shares authorized and issued and outstanding, as adjusted; shares authorized and issued and outstanding, as further adjusted	543	543	
Total stockholders' equity	878	878	
Total capitalization	$1,257	$ 1,278	$

(1) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) additional paid-in capital, total equity and total capitalization by approximately $ million, $ million and $ million, respectively, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting the estimated underwriting discounts and commissions payable by us. We may also increase or decrease the number of shares we are offering. An increase (decrease) of one million shares offered by us at an assumed offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) additional paid-in capital, total equity and total capitalization by approximately $ million, $ million and $ million, respectively, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(2) As of , the outstanding balance under the RBL Facility was approximately $ million, and we had cash and cash equivalents of approximately $ million.

DILUTION

Purchasers of the common stock in this offering will experience immediate and substantial dilution in the net tangible book value per share of the common stock for accounting purposes. Our net tangible book value as of September 30, 2017, was $ million, or $ per share.

Pro forma net tangible book value per share is determined by dividing our pro forma tangible net worth (tangible assets less total liabilities) by the total number of outstanding shares of common stock that will be outstanding immediately prior to the closing of this offering. Assuming an initial public offering price of $ per share (which is the midpoint of the price range set forth on the cover page of this prospectus), after giving effect to the sale of the shares in this offering and further assuming the receipt of the estimated net proceeds (after deducting estimated underwriting discounts and commissions and estimated offering expenses), our adjusted pro forma net tangible book value as of September 30, 2017 would have been approximately $ million, or $ per share. This represents an immediate increase in the net tangible book value of $ per share to our existing stockholders and an immediate dilution (i.e., the difference between the offering price and the adjusted pro forma net tangible book value after this offering) to new investors purchasing shares in this offering of $ per share. The following table illustrates the per share dilution to new investors purchasing shares in this offering:

Assumed initial public offering price per share		$
Pro forma net tangible book value per share as of September 30, 2017	$	
Increase per share attributable to new investors in this offering		
As adjusted pro forma net tangible book value per share after giving further effect to this offering		
Dilution in pro forma net tangible book value per share to new investors in this offering		$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) our as adjusted pro forma net tangible book value per share after the offering by $ and increase (decrease) the dilution to new investors in this offering by $ per share, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, on an adjusted pro forma basis as of September 30, 2017, the total number of shares of common stock owned by existing stockholders and to be owned by new investors, the total consideration paid, and the average price per share paid by our existing stockholders and to be paid by new investors in this offering at our initial public offering price of $ per share, calculated before deduction of estimated underwriting discounts and commissions:

	Shares Acquired		Total Consideration		Average Price Per Share
	Number	Percent	Amount (in thousands)	Percent	
Existing stockholders(1)			$		$
New investors in this offering(2)					
Total		100%		$ 100%	$

(1) The number of shares disclosed for the existing stockholders includes shares being sold by the selling stockholders in this offering.
(2) The number of shares disclosed for the new investors does not include shares being purchased by the new investors from the selling stockholders in this offering.

The above tables and discussion are based on the number of shares of our common stock to be outstanding as of the closing of this offering (without exercise of the underwriters' option to purchase additional shares). The table does not reflect shares of common stock reserved for issuance under our 2017 Incentive Plan.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table shows the selected historical financial information, for the periods and as of the dates indicated, of our predecessor company. The selected historical financial information as of and for the years ended December 31, 2015 and 2016 are derived from the audited historical consolidated financial statements of our predecessor company included elsewhere in this prospectus. The selected historical financial information as of and for the nine months ended September 30, 2016 and for the two months ended February 28, 2017 are derived from unaudited consolidated financial statements of our predecessor company included elsewhere in this prospectus. The summary historical financial information for the seven months ended September 30, 2017 is derived from unaudited consolidated financial statements of Berry Corp. included elsewhere in this prospectus.

Upon Berry LLC's emergence from bankruptcy on February 28, 2017, or the Effective Date, in connection with the Plan, Berry LLC adopted fresh-start accounting and was recapitalized, which resulted in Berry LLC becoming a wholly-owned subsidiary of Berry Corp. and Berry Corp. being treated as the new entity for financial reporting. Upon adoption of fresh-start accounting, our assets and liabilities were recorded at their fair values as of the Effective Date. These fair values of our assets and liabilities differed materially from the recorded values of our assets and liabilities as reflected in our predecessor company's historical consolidated balance sheet. The effects of the Plan and the application of fresh-start accounting are reflected in Berry Corp.'s consolidated financial statements as of the Effective Date and the related adjustments thereto are recorded in our consolidated statements of operations as reorganization items for the periods prior to the Effective Date. As a result, our consolidated financial statements subsequent to the Effective Date will not be comparable to our consolidated financial statements prior to such date. Our financial results for future periods following the application of fresh-start accounting will be different from historical trends and the differences may be material. You should read the following table in conjunction with "Use of Proceeds", "Capitalization", "Management's Discussion and Analysis of Financial Condition and Results of Operations", the historical consolidated financial statements of our predecessor and accompanying notes included elsewhere in this prospectus.

	Berry Corp.	Berry LLC			
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	Year Ended December 31, 2015
	(unaudited)	(unaudited)	(unaudited)	(audited)	(audited)
		($ in thousands)			
Statements of Operations Data:					
Oil, natural gas and NGL liquid sales	$ 237,324	$ 74,120	$ 285,538	$392,345	$575,031
Electricity sales	15,517	3,655	17,573	23,204	24,544
(Losses) gains on oil and natural gas derivatives	5,642	12,886	1,642	(15,781)	29,175
Marketing revenues	1,901	633	2,743	3,653	5,709
Other revenues	3,902	1,424	5,634	7,570	7,195
Lease operating expenses	108,751	28,238	138,557	185,056	245,155
Electricity generation expenses	10,192	3,197	12,118	17,133	18,057
Transportation expenses	18,645	6,194	32,518	41,619	52,160
Marketing expenses	1,674	653	2,173	3,100	3,809
Taxes, other than income taxes	25,113	5,212	20,614	25,113	70,593
General and administrative expenses(1)	39,791	7,964	65,313	79,236	85,993
Reorganization items, net	(1,001)	(507,720)	(38,829)	(72,662)	—
Depreciation, depletion and amortization	48,392	28,149	139,980	178,223	251,371
Interest expense	(12,482)	(8,245)	(48,719)	(61,268)	(85,818)

	Berry Corp.	Berry LLC			
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	Year Ended December 31, 2015
	(unaudited)	(unaudited)		(audited)	(audited)
		(in thousands except per share amounts)			
Income tax (benefit) expense	9,190	230	196	116	(68)
Net (loss) income	13,812	(502,964)	(1,216,417)	(1,283,196)	(1,015,177)
Net income per common share					
Basic and Diluted	$ 0.03	n/a	n/a	n/a	n/a
Weighted average common shares outstanding					
Basic and Diluted	40,000	n/a	n/a	n/a	n/a
Cash Flow Data:					
Net cash provided by (used in)					
Operating activities	$ 88,364	$ (30,176)	$ 3,269	$ 12,345	$ 122,518
Capital expenditures	(52,572)	(3,158)	(26,534)	(34,796)	(50,374)
Acquisitions, sales of properties and other investing activities	(21,991)	25	53,590	53,612	151,742
Balance Sheets Data:					
(at period end)					
Total assets	$ 1,579,389	$ 1,561,037	$ 2,681,256	$ 2,652,050	$ 3,861,476
Current portion of long-term debt	—	—	891,259	891,259	873,175
Long-term debt, net	379,000	400,000	—	—	845,368
Series A Preferred Stock	335,000	335,000	—	—	—
Stockholders' and/or member's equity	877,541	862,827	569,741	502,963	1,786,159
Other Financial Data:					
Adjusted EBITDA(2)	$ 96,773	$ 28,845	$ 54,429	$ 89,646	$ 206,537
Adjusted General and Administrative Expenses(3)	11,468	7,964	65,313	79,236	85,993

(1) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of $28.3 million for the seven months ended September 30, 2017.

(2) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation to our most directly comparable financial measure calculated and presented in accordance with GAAP, please read "Prospectus Summary—Summary Historical and Pro Forma Financial Information—Non-GAAP Financial Measures."

(3) Adjusted General and Administrative Expenses is a non-GAAP financial measure. For a definition of Adjusted General and Administrative Expenses and a reconciliation to our most directly comparable financial measure calculated and presented in accordance with GAAP, please read "Prospectus Summary—Summary Historical and Pro Forma Financial Information—Non-GAAP Financial Measures."

PRO FORMA FINANCIAL DATA

The following unaudited pro forma condensed consolidated financial information of Berry Corp. gives effect to the Company's plan of reorganization and the Hugoton Disposition. Prior to the Effective Date, Berry Corp. had not conducted any business operations. Accordingly, these unaudited pro forma condensed consolidated financial statements are based on the historical financial statements of the Company's wholly-owned subsidiary, Berry LLC. The unaudited pro forma condensed consolidated statements of operations are presented for the nine months ended September 30, 2017 and the year ended December 31, 2016. This unaudited pro forma condensed consolidated financial information should be read in conjunction with Berry Corp.'s historical financial statements for the seven months ended September 30, 2017 and with Berry LLC's historical financial statements for the two months ended February 28, 2017, the nine months ended September 30, 2016, the year ended December 31, 2016 and the year ended December 31, 2015 included in this prospectus.

The unaudited pro forma statements of operations give effect to (1) the Plan and fresh-start accounting and (2) the Hugoton Disposition as if each had been completed as of January 1, 2016. The unaudited pro forma financial statements do not give effect to the Hill Acquisition because that transaction was not deemed significant under Rule 3-05 of the SEC's Regulation S-X, so it is not required to be presented herein.

The unaudited pro forma condensed consolidated financial statements are for informational and illustrative purposes only and are not necessarily indicative of the financial results that would have been had the events and transactions occurred on the dates assumed, nor are such financial statements necessarily indicative of the results of operations in future periods. The unaudited pro forma condensed consolidated financial statements do not include realization of cost savings expected to result from the Plan. The pro forma adjustments, as described in the accompanying notes, are based upon currently available information. The historical financial information has been adjusted to give effect to pro forma adjustments that are (i) directly attributable to the Plan becoming effective or the Hugoton Disposition, (ii) factually supportable, and (iii) expected to have a continuing impact on the Company's consolidated results.

Background

On May 11, 2016, the Linn Entities and Berry LLC filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code in Bankruptcy Court. In December 2016, Berry LLC, on the one hand, and LINN Energy and its other affiliated debtors, on the other hand, filed separate plans of reorganization with the Bankruptcy Court. The Plan was filed on December 13, 2016. On January 27, 2017, the Bankruptcy Court entered its confirmation order approving and confirming the Plan.

In anticipation of the effectiveness of the Plan, Berry Corp. was formed for the purpose of having all the membership interests of Berry LLC assigned to it upon Berry LLC's emergence from bankruptcy. On the Effective Date, the Plan became effective and was implemented in accordance with its terms. Among other transactions, 100% of Berry LLC's outstanding membership interests were transferred to Berry Corp. As a result, Berry LLC emerged from bankruptcy as a wholly-owned subsidiary of Berry Corp., separate from LINN Energy and its affiliates.

Plan of Reorganization

On February 28, 2017, Berry LLC and Berry Corp. consummated the following reorganization transactions in accordance with the Plan:

1. 100% of the outstanding membership interests in Berry LLC were transferred to Berry Corp. pursuant to an assignment agreement. Under that assignment agreement, Berry LLC became a wholly-owned operating subsidiary of Berry Corp.

2. The holders of claims under Berry LLC's Second Amended and Restated Credit Agreement, dated November 15, 2010, by and among Berry LLC, as borrower, Wells Fargo Bank, N.A., as administrative agent, and certain lenders (as amended, the "Pre-Emergence Credit Facility"), received (i) their pro rata share of a cash paydown and (ii) pro rata participation in the Emergence Credit Facility (as defined below). As a result, all outstanding obligations under the Pre-Emergence Credit Facility were canceled and the agreements governing these obligations were terminated.

3. On the Effective Date, Berry LLC, as borrower, entered into a Credit Agreement, dated February 28, 2017, by and among Berry Corp., as parent guarantor, Wells Fargo Bank, N.A., as administrative agent, and certain lenders providing for a new reserve-based revolving loan with up to $550 million in borrowing commitments (the "Emergence Credit Facility").

4. The holders of Berry LLC's 6.75% senior notes due November 2020 and its 6.375% senior notes due September 2022 (together, the "Unsecured Notes") received, through a rights offering, a right to their pro rata share of (i) either (a) 32,920,000 of shares of common stock in Berry Corp. or (b) for those non-accredited investors holding the Unsecured Notes that irrevocably elected to receive a cash recovery, cash distributions from a $35 million cash distribution pool (the "Cash Distribution Pool") and (ii) specified rights to participate in a two-tranche offering of rights to purchase Series A Convertible Preferred Stock, par value $0.001 per share (the "Series A Preferred Stock") at an aggregate purchase price of $335 million to fund the cash paydown of the Pre-Emergence Credit Facility. As a result, $335 million of Series A Preferred Stock was issued to certain of the holders of the Unsecured Notes that participated in the rights offering and all outstanding obligations under the Unsecured Notes, were canceled and the indentures and related agreements governing those obligations were terminated.

5. The holders of unsecured claims against Berry LLC (other than the Unsecured Notes) (the "Unsecured Claims") received a right to their pro rata share of either (i) 7,080,000 shares of common stock in Berry Corp. or (ii) in the event that such holder irrevocably elected to receive a cash recovery, cash distributions from the Cash Distribution Pool. As a result, all outstanding obligations under the Unsecured Notes and the indentures governing such obligations were canceled, and the obligations arising from the Unsecured Claims were extinguished.

6. Berry LLC settled all intercompany claims against LINN Energy and its affiliates pursuant to a settlement agreement approved as part of the Plan and the confirmation order entered by the Bankruptcy Court. The settlement agreement provided Berry LLC with a $25 million general unsecured claim against LINN Energy, which Berry LLC has fully reserved.

Fresh Start

Upon the Company's emergence from bankruptcy, it was required to adopt fresh-start accounting, which, with the recapitalization described above, resulted in Berry Corp. being treated as the new entity for financial reporting purposes. The Company was required to adopt fresh-start accounting upon its emergence from bankruptcy because (i) the holders of existing voting ownership interests of our predecessor company received less than 50% of the voting shares of Berry Corp. and (ii) the reorganization value of the Company's assets immediately prior to confirmation of the Plan was less than the total of all post-petition liabilities and allowed claims. An entity applying fresh-start accounting upon emergence from bankruptcy is viewed as a new reporting entity from an accounting perspective, and accordingly, may select new accounting policies.

The Plan and disclosure statement approved by the Bankruptcy Court did not include an enterprise value or reorganization value, nor did the Bankruptcy Court approve a value as part of its confirmation of the Plan. The Company must determine a value to be assigned to the equity of the emerging entity as of the date of adoption of fresh-start accounting. Reorganization value is derived from an estimate of enterprise value, or the fair value of the Company's long-term debt, stockholders' equity and working capital. Reorganization value approximates the

fair value of the entity before considering liabilities and approximates the amount a willing buyer would pay for the assets of the entity immediately after the restructuring. Based on the various estimates and assumptions necessary for fresh-start accounting, the Company estimated its enterprise value as of the Effective Date to be approximately $1.3 billion. The enterprise value was estimated using a sum of the parts approach. The sum of parts approach represents the summation of the indicated fair value of the component assets of the Company. The fair value of the Company's assets was estimated by relying on a combination of the income, market and cost approaches.

The reorganization value was allocated to the Company's individual assets generally based on their estimated fair values. For purposes of the accompanying unaudited pro forma condensed consolidated statements of operations, the Company utilized its estimated enterprise value as of the Effective Date, and applied such enterprise value as of January 1, 2016. Preparation of an actual valuation with assumptions and economic data as of January 1, 2016 would likely result in an enterprise value that is materially different than such valuation as of the Effective Date. The intent of the unaudited pro forma condensed consolidated financial statements is to illustrate the effects of the Plan based on the underlying economic factors as of the Effective Date.

Hugoton Disposition

The Company closed on the sale of its interests in the Hugoton natural gas field, located primarily in Kansas, effective July 31, 2017. See "Prospectus Summary—Recent Developments—Hill Acquisition and Hugoton Disposition" for additional information.

BERRY PETROLEUM CORPORATION

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017
(in thousands)

	Berry LLC (Predecessor) Two Months Ended February 28, 2017	Berry Corp. (Successor) Seven Months Ended September 30, 2017	Fresh-Start Accounting Adjustments	Hugoton Disposition Adjustments	Berry Corp. (Successor) Pro Forma
Revenues and other:					
Oil, natural gas and natural gas liquids sales	$ 74,120	$ 237,324	$ —	$ (37,842)(g)	$ 273,602
Electricity sales	3,655	15,517	—	—	19,172
Gains on oil and natural gas derivatives	12,886	5,642	—	—	18,528
Marketing revenues	633	1,901	—	—	2,534
Other revenues	1,424	3,902	—	(5,265)(g)	61
	92,718	264,286	—	(43,107)	313,897
Expenses:					
Lease operating expenses	28,238	108,751	—	(6,129)(h)	130,860
Electricity generation expenses	3,197	10,192	—	—	13,389
Transportation expenses	6,194	18,645	—	(10,007)(h)	14,832
Marketing expenses	653	1,674	—	—	2,327
General and administrative expenses	7,964	39,791	—	(1,292)(h)	46,463
Depreciation, depletion and amortization.	28,149	48,392	(14,105)(b)	(6,685)(i)	55,751
Taxes, other than income taxes	5,212	25,113	—	(4,868)(h)	25,457
Gains on sale of assets and other, net	(183)	(20,687)	—	20,688(j)	(182)
	79,424	231,871	(14,105)	(8,293)	288,897
Other income and (expenses):					
Interest expense, net of amounts capitalized	(8,245)	(12,482)	4,930(d)	—	(15,797)
Other, net	(63)	4,070	—	—	4,007
	(8,308)	(8,412)	4,930	—	(11,790)
Reorganization items, net	(507,720)	(1,001)	507,720(e)	—	(1,001)
(Loss) income before income taxes	(502,734)	23,002	526,755	(34,814)	12,209
Income tax expense (benefit)	230	9,190	7,616	(12,165)(f)	4,871
Net income (loss)	(502,964)	13,812	519,139	(22,649)	7,338

BERRY PETROLEUM CORPORATION

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016
(in thousands)

	Berry LLC (Predecessor) Year ended December 31, 2016	Fresh-Start Accounting Adjustments	Hugoton Disposition Adjustments	Berry Corp. (Successor) Pro Forma
Revenues and other:				
Oil, natural gas and natural gas liquids sales	$ 392,345	$ —	(49,176)(g)	$ 343,169
Electricity sales	23,204	—	—	23,204
Losses on oil and natural gas derivatives	(15,781)	—	—	(15,781)
Marketing revenues	3,653	—	—	3,653
Other revenues	7,570	—	(7,247)	323
	410,991	—	(56,423)	354,568
Expenses:				
Lease operating expenses	185,056	—	(8,387)(h)	176,669
Electricity generation expenses	17,133	—	—	17,133
Transportation expenses	41,619	—	(15,676)(h)	25,943
Marketing expenses	3,100	—	—	3,100
General and administrative expenses	79,236	(1,249)(a)	(275)(h)	77,712
Depreciation, depletion and amortization	178,223	(93,956)(b)	(22,753)(i)	61,514
Impairment of long-lived assets	1,030,588	— (c)	—	1,030,588
Taxes, other than income taxes	25,113	—	(2,775)(h)	22,338
Gains on sale of assets and other, net	(109)	—	—	(109)
	1,559,959	(95,205)	(49,866)	1,414,888
Other income and (expenses):				
Interest expense, net of amounts capitalized	(61,268)	41,040(d)	—	(20,228)
Other, net	(182)	—	—	(182)
	(61,450)	41,040	—	(20,410)
Reorganization items, net	(72,662)	72,662(e)	—	—
Loss before income taxes	(1,283,080)	208,907	(6,557)	(1,080,730)
Income tax expense	116	— (f)	— (f)	116
Net income (loss)	$(1,283,196)	208,907	(6,557)	$(1,080,846)

BERRY PETROLEUM CORPORATION

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

1. Basis of Presentation

The accompanying unaudited pro forma condensed consolidated statements of operations and explanatory notes present the financial information of Berry Corp. assuming the events and transactions had occurred on January 1, 2016.

The following are descriptions of the columns included in the accompanying unaudited pro forma condensed consolidated statements of operations:

Predecessor represents the historical condensed consolidated statements of operations of Berry LLC for the year ended December 31, 2016 and for the two months ended February 28, 2017.

Successor represents the historical condensed consolidated statements of operations of Berry Corp. for the seven months ended September 30, 2017.

Fresh-Start Accounting Adjustments represent adjustments to give effect to the Plan and fresh-start accounting to the condensed consolidated statements of operations as of the date assumed.

Hugoton Disposition Adjustments represent adjustments to give effect to the disposition of the Company's interests in the Hugoton basin natural gas fields to the condensed consolidated statements of operations as of the date assumed.

2. Pro Forma Adjustments

Fresh-Start Accounting Adjustments

The adjustments included in the unaudited pro forma consolidated statements of operations above reflect the effects of the transactions contemplated by the Plan and executed by the Company on the Effective Date as well as fair value and other required accounting adjustments resulting from the adoption of fresh-start accounting.

(a) Reflects the elimination of legal and professional fees related to debt restructuring and bankruptcy advisors that were incurred prior to the bankruptcy petition date and are not classified as reorganization items. These fees are nonrecurring expenses that are incremental to the Company's continuing operations.

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

(c) During 2016, the Company recorded impairment charges associated with (a) proved oil and natural gas properties of approximately $1.0 billion and (b) unproved properties of approximately $13 million. Assuming the emergence from bankruptcy occurred on January 1, 2016, and the adjustment of oil and natural gas properties to the estimated fair value as a result of fresh-start accounting had been recorded, there would likely be no impairment in 2016. However, no pro forma adjustment was made as the impairment charge would have no continuing impact on the Company's consolidated results.

(d) As of the Effective Date, borrowings under the Emergence Credit Facility of $400 million were outstanding, which had an interest rate of 4.81% per annum, letter of credit fees at a rate of 3.75% per annum and a 0.50% per annum commitment fee on undrawn amounts. In addition, issuance costs were being amortized over the five year term of the Emergence Credit Facility. The Company calculated the pro forma adjustment to decrease interest expense as follows:

For the two months ended February 28, 2017:

	(in thousands)
Reversal of Pre-Emergence Credit Facility interest expense	$ 7,789
Reversal of amortization of issuance costs on Pre-Emergence Credit Facility	416
Reversal of other interest expense	40
Pro forma – Emergence Credit Facility interest expense on drawn amounts	(3,153)
Pro forma – Emergence Credit Facility commitment fee on undrawn amounts	(118)
Pro forma – Emergence Credit Facility letter of credit fees	(39)
Pro forma – Amortization of issuance costs on the Emergence Credit Facility	(5)
Pro forma adjustment to decrease interest expense for the two months ended February 28, 2017	$ 4,930

For the year ended December 31, 2016:

	(in thousands)
Reversal of Pre-Emergence Credit Facility interest expense	$ 40,683
Reversal of Unsecured Notes interest expense	19,166
Reversal of amortization of issuance costs on Pre-Emergence Credit Facility	2,495
Reversal of other interest expense related to Pre-Emergence Credit Facility and Unsecured Notes	250
Reversal of capitalized interest	(1,325)
Pro forma – Emergence Credit Facility interest expense on drawn amounts	(19,240)
Pro forma – Emergence Credit Facility commitment fee on undrawn amounts	(718)
Pro forma – Emergence Credit Facility letter of credit fees	(241)
Pro forma – Amortization of issuance costs on the Emergence Credit Facility	(30)
Pro forma adjustment to decrease interest expense for the year ended December 31, 2016	$ 41,040

(e) Represents the elimination of reorganization items that were directly attributable to the Chapter 11 reorganization and nonrecurring costs directly related to the bankruptcy, which consist of the following:

For the two months ended February 28, 2017:

	(in thousands)
Gain on settlement of liabilities subject to compromise	$ (437,474)
Fresh-start valuation adjustments	920,699
Legal and other professional advisory fees	19,481
Other	5,014
Pro forma adjustment to eliminate reorganization items for the two months ended February 28, 2017	$ 507,720

For the year ended December 31, 2016:

	(in thousands)
Legal and other professional advisory fees	$ 30,130
Unamortized premiums	(10,923)
Terminated contracts	55,148
Other	(1,693)
Pro forma adjustment to eliminate reorganization items for the year ended December 31, 2016	$ 72,662

In connection with our emergence from bankruptcy, we terminated or renegotiated more favorable terms for several firm transportation and oil sales contracts.

(f) Upon emergence from bankruptcy, Berry Corp. acquired the assets of Berry LLC, which had been treated as a disregarded entity for federal and state income taxes, in a taxable asset acquisition as part of the restructuring. For the nine month period ended September 30, 2016 and for the year ended December 31, 2016, any tax benefit that would potentially be realizable as a result of the new tax status and losses incurred during the year have not been recognized, under the assumption that the Company would not meet the “more likely than not” criteria under Accounting Standards Codification 740 “Income Taxes” and therefore would require a full valuation allowance.

For the nine months ended September 30, 2017, the effective tax rate used to calculate income tax expense was 39.9%. The effective tax rate differed from the federal statutory rate of 35% due to the impact of state taxes.

Hugoton Disposition Adjustments

(g) Reflects the elimination of oil, natural gas, natural gas liquids and helium gas sales related to the Hugoton Disposition properties.

(h) Reflects the adjustments related to lease operating, transportation, taxes other than income taxes and general and administrative expenses related to the Hugoton Disposition properties.

(i) Reflects the elimination of estimated depreciation, depletion and amortization as well as accretion expense related to the Hugoton Disposition properties.

(j) Reflects the elimination of the gain on sale of assets related to the Hugoton Disposition.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the financial statements and related notes included elsewhere in this prospectus. The following discussion contains forward-looking statements that reflect our future plans, estimates, beliefs and expected performance. The forward-looking statements are dependent upon events, risks and uncertainties that may be outside our control. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences are described under the heading "Risk Factors" included elsewhere in this prospectus. In light of these risks, uncertainties and assumptions, the forward-looking events discussed may not occur. Please see "Cautionary Note Regarding Forward-Looking Statements." When we use the terms "we," "us," "our," the "Company," or similar words in this prospectus, unless the context otherwise requires, on or prior to the Effective Date, we are referring to Berry LLC, and following the Effective Date, we are referring to Berry Corp. and its subsidiary, Berry LLC, as applicable. When we refer to "our predecessor company" we are referring to Berry LLC on or prior to the Effective Date.

Our Company

We are a value-driven, independent oil and natural gas company engaged primarily in the development and production of conventional reserves located in the western United States, including California, Utah, Colorado and Texas. We target onshore, low-cost, low-risk, oil-rich basins, such as the San Joaquin basin of California and the Uinta basin of Utah. The Company's assets are characterized by:

- high oil content with production consisting of approximately 82% oil;
- long-lived reserves with low and predictable production decline rates;
- an extensive inventory of low-risk development drilling opportunities with attractive full-cycle economics;
- a stable and predictable development and production cost structure; and
- favorable Brent-influenced crude oil pricing dynamics.

Our asset base is concentrated in the San Joaquin basin in California, which has over 100 years of production history and substantial remaining original oil in place. We focus on conventional, shallow reservoirs, the drilling and completion of which are low-cost in contrast to modern unconventional resource plays. Our decades-old proven completion techniques include steamflood and low-volume fracture stimulation.

We focus on enhancing our production, improving drilling and completion techniques, controlling costs and maximizing the ultimate recovery of hydrocarbons from our assets, with the goal of generating top-tier returns. We seek to fund repeatable organic production and reserves growth through the use of internally generated free cash flow from operations after debt service, or levered free cash flow, while also maintaining ample liquidity and a conservative financial leverage profile.

As of November 30, 2017, we had estimated proved reserves of 141,838 MBoe, of which approximately 57% were proved developed producing reserves and approximately 66% of total proved reserves were located in California. For the three months ended September 30, 2017, pro forma for the Hugoton Disposition and the Hill Acquisition, we had average production of approximately 27.0 MBoe/d, of which approximately 82% was oil.

Chapter 11 Bankruptcy and Our Emergence

In 2013, the Linn Entities acquired our predecessor company for LinnCo LLC shares and assumed debt with an aggregate value of $4.6 billion. A severe industry downturn, coupled with high leverage and significant fixed charges, led the Linn Entities and, consequently, our predecessor company to initiate the Chapter 11 Proceeding on May 11, 2016.

On February 28, 2017, Berry LLC emerged from bankruptcy as a stand-alone company and wholly-owned subsidiary of Berry Corp. with new management, a new board of directors and new ownership. Through the Chapter 11 Proceeding, the Company significantly improved its financial position from that of Berry LLC while it was owned by the Linn Entities. These improvements included:

- the elimination of approximately $1.3 billion of debt and more than $76 million of annualized interest expense;
- the termination of, or renegotiation of more favorable terms for, several firm transportation and oil sales contracts; and
- the anticipated reduction in recurring general and administrative costs as a stand-alone company by following a lean operating model.

On the February 28, 2017, Berry LLC and Berry Corp. consummated the following reorganization transactions in accordance with the Plan:

- 100% of the outstanding membership interests in Berry LLC were transferred to Berry Corp. pursuant to an assignment agreement. Under that assignment agreement, Berry LLC became a wholly-owned operating subsidiary of Berry Corp.
- The holders of claims under Pre-Emergence Credit Facility, received (i) their pro rata share of a cash paydown and (ii) pro rata participation in the Emergence Credit Facility. As a result, all outstanding obligations under the Pre-Emergence Credit Facility were canceled and the agreements governing these obligations were terminated.
- On the Effective Date, Berry LLC entered into the Emergence Credit Facility.
- The holders of Berry LLC's Unsecured Notes received, through a rights offering, a right to their pro rata share of (i) either (a) 32,920,000 of shares of common stock in Berry Corp. or (b) for those non-accredited investors holding the Unsecured Notes that irrevocably elected to receive a cash recovery, cash distributions from the Cash Distribution Pool and (ii) specified rights to participate in a two-tranche offering of rights to purchase the Series A Preferred Stock at an aggregate purchase price of $335 million to fund the cash paydown of the Pre-Emergence Credit Facility. As a result, $335 million of Series A Preferred Stock was issued to certain of the holders of the Unsecured Notes that participated in the rights offering and all outstanding obligations under the Unsecured Notes, were canceled and the indentures and related agreements governing those obligations were terminated.
- The holders of the Unsecured Claims received a right to their pro rata share of either (i) 7,080,000 shares of common stock in Berry Corp. or (ii) in the event that such holder irrevocably elected to receive a cash recovery, cash distributions from the Cash Distribution Pool. As a result, all outstanding obligations under the Unsecured Notes and the indentures governing such obligations were canceled, and the obligations arising from the Unsecured Claims were extinguished.
- Berry LLC settled all intercompany claims against LINN Energy and its affiliates pursuant to a settlement agreement approved as part of the Plan and the confirmation order entered by the Bankruptcy Court. The settlement agreement provided Berry LLC with a $25 million general unsecured claim against LINN Energy, which Berry LLC has fully reserved.

Preferred Stock

The Series A Preferred Stock ranks senior to each other series or class of capital stock of Berry Corp. with respect to dividend rights, redemption rights, sale, merger or change of control preference and rights on liquidation, dissolution and winding up of the affairs of Berry Corp. Holders of Series A Preferred Stock are entitled to receive, when, as and if declared by the board of directors, cumulative dividends at a rate of 6.00% per annum either in cash or in additional shares of Series A Preferred Stock at the discretion of the board of directors. The Series A Preferred Stock is entitled to vote with holders of common stock, voting together as a single class, with respect to any and all

matters subject to a stockholder vote, other than as required by law. If Berry Corp. liquidates, dissolves or winds up, holders of Series A Preferred Stock, in preference to any other series or class of capital stock of Berry Corp., will be entitled to share ratably in Berry Corp.'s assets that are legally available for distribution to Berry Corp.'s stockholders, after payment of its debts and other liabilities, in an amount per share of Series A Preferred Stock equal to the sum of (i) $10.00 plus (ii) any accrued and unpaid regular dividends. The Series A Preferred Stock may be converted into a number of shares of common stock determined by the applicable Conversion Rate (as defined in the Series A Preferred Stock Certificate of Designation (the "Certificate of Designation")) (i) at the option of the holder at any time and (ii) at our option at any time after February 28, 2021, subject to certain conditions, including that the value of a share of common stock into which a share of Series A Preferred Stock is convertible is equal to or greater than $15.00, based on the volume-weighted average price for any 20-trading day period during the 30 trading days preceding conversion. From the time at which any shares of Series A Preferred Stock are deemed to have been converted, the holder of such converted shares shall no longer be entitled to receive dividends on such Series A Preferred Stock (including any prior accrued or unpaid dividend). The Series A Preferred Stock is not subject to redemption by us or at the option of any holder of Series A Preferred Stock and is not entitled to a retirement or sinking fund. The Certificate of Designation contains no financial or operational covenants restricting our activities or our ability to raise capital.

How We Evaluate Operations

Our management team uses the following metrics to manage and assess the performance of our operations: (a) production, (b) operating expenses, (c) environmental, health & safety ("EH&S"), (d) taxes, other than income taxes, (e) general and administrative expenses, (f) Adjusted EBITDA and (g) levered free cash flow.

Production

Oil and gas production is a key driver of our operating performance, an important factor to the success of our business, and used in forecasting future development economics. We measure and closely monitor production on a continuous basis, adjusting our property development efforts in accordance with the results. We track production by commodity type and compare it to prior periods and expected results.

Operating expenses

We define operating expenses as lease operating expenses, electricity expenses, transportation expenses, and marketing expenses, offset by the third-party revenues generated by electricity and marketing activities. The electricity and marketing activity related revenues are viewed and treated internally as a reduction to operating costs when tracking and analyzing the economics of development projects and the efficiency of our hydrocarbon recovery. Overall, operating expenses is used by management as a measure of the efficiency with which operations are performing.

Environmental, health & safety

We are committed to good corporate citizenship in our communities, operating safely and protecting the environment and our employees. We monitor our EH&S performance through various measures, holding our employees and contractors to high standards. Meeting corporate EH&S metrics is a part of our incentive programs for all employees.

Taxes, other than income taxes

Taxes, other than income taxes includes severance taxes, ad valorem and property taxes, GHG allowances, and other taxes. We include these taxes when analyzing the economics of development projects and the efficiency of our hydrocarbon recovery; however, these taxes are not included in our operating expenses.

General and administrative expenses

We monitor our cash general and administrative expenses as a measure of the efficiency of our overhead activities. Such expenses are a key component of the appropriate level of support our corporate and professional team provides to the development of our assets and our day-to-day operations.

Adjusted EBITDA

Adjusted EBITDA is the primary financial and operating measurement that our management uses to analyze and monitor the operating performance of our business. We define Adjusted EBITDA as earnings before interest expense; income taxes; depreciation, depletion, amortization and accretion; exploration expense; derivative gains or losses net of cash received for derivative settlements; impairments; stock compensation expense and other unusual out-of-period and infrequent items, including restructuring and reorganization costs.

Levered free cash flow

Levered free cash flow reflects our financial flexibility and is used to plan our internal growth capital expenditures. We define levered free cash flow as Adjusted EBITDA less capital expenditures, asset retirement obligation expenditures, interest expense, reorganization/transition costs, and other expenses. Levered free cash flow is our primary metric used in planning capital allocation for maintenance and internal growth opportunities as well as hedging needs and serves as a measure for assessing our financial performance and measuring our ability to generate excess cash from our operations after servicing indebtedness.

Factors Affecting the Comparability of Our Financial Condition and Results of Operations

Basis of Presentation and Fresh-Start Accounting

Upon Berry LLC's emergence, we adopted fresh-start accounting, which, with the recapitalization described above, resulted in Berry Corp. becoming the financial reporting entity in its corporate group. Unless otherwise noted or suggested by context, all financial information and data and accompanying financial statements and corresponding notes, as contained in this prospectus, on or prior to the Effective Date, reflect the actual historical results of operations and financial condition our predecessor company for the periods presented and do not give effect to the Plan or any of the transactions contemplated thereby or the adoption of fresh-start accounting. Following the Effective Date, they reflect the actual historical results of operations and financial condition of Berry Corp. on a consolidated basis and give effect to the Plan and any of the transactions contemplated thereby and the adoption of fresh-start accounting. Thus, the financial information presented herein on or prior to the Effective Date may not be comparable to Berry Corp.'s performance or financial condition after the Effective Date. As a result, "black-line" financial statements are presented to distinguish between Berry LLC as the predecessor and Berry Corp. as the successor.

Berry Corp.'s financial statements reflect the application of fresh-start accounting under GAAP. GAAP requires that the financial statements, for periods subsequent to the Chapter 11 Proceeding, distinguish transactions and events that are directly associated with the reorganization from the ongoing operations of the business. Accordingly, certain expenses, gains and losses that are realized or incurred in the bankruptcy proceedings are recorded in "reorganization items, net" on Berry Corp.'s as well as Berry LLC's statements of operations. In addition, Berry Corp.'s balance sheet classifies the cash distributions from the Cash Distribution Pool as "liabilities subject to compromise." Prepetition unsecured and under-secured obligations that were impacted by the bankruptcy reorganization process have been classified as "liabilities subject to compromise" on our predecessor company's last audited balance sheet at December 31, 2016.

Reorganization and Financing Activities

Through the Chapter 11 Proceeding and reorganization transactions described above under "—Chapter 11 Bankruptcy and Our Emergence," we were able to significantly improve our financial position by eliminating approximately $1.3 billion of debt and more than $76 million of annualized interest expense. We have experienced a reduction that we expect to continue in recurring general and administrative costs as a stand-alone company separate from LINN Energy, which will significantly impact comparability of periods before the Effective Date with periods on and after the Effective Date. In addition to the notes offering contemplated in this prospectus, we have also completed the following financing activities post-emergence.

New RBL Facility

On July 31, 2017, Berry LLC, as borrower, entered into a Credit Agreement with Berry Corp., as parent guarantor, Wells Fargo Bank, N.A., as administrative agent and issuing lender, and certain lenders. The credit facility established pursuant to the Credit Agreement and related agreements is referred to in this prospectus as the "RBL Facility." The RBL Facility provides for a revolving loan with up to $1.5 billion of commitments, with a borrowing base of $ million and approximately $ million of undrawn availability as of , 2018. The RBL Facility also provides a letter of credit subfacility for the issuance of letters of credit in an aggregate amount not to exceed $25 million. Issuances of letters of credit reduce the borrowing availability for revolving loans under the RBL Facility on a dollar for dollar basis. As of September 30, 2017, Berry LLC had $379 million in borrowings and $21 million in letters of credit outstanding under the RBL Facility. For additional information, please read "—Liquidity and Capital Resources—Debt—New RBL Facility".

Hill Acquisition and Hugoton Disposition

On July 31, 2017, we completed the Hugoton Disposition and the Hill Acquisition. These transactions significantly increased the percentage of our production that is oil, which benefits from California pricing margins, increased our future drilling opportunities, concentrated our assets and were essentially operating cash flow neutral at the time of the transactions. With the Hill Acquisition, we gained the remaining working interest in approximately 1,100 identified gross drilling locations. We used the proceeds of the Hugoton Disposition and cash on hand to complete the Hill Acquisition.

The table below compares certain aspects of the Hill Acquisition and the Hugoton Disposition:

	Hill Acquisition	Hugoton Disposition
Estimated PV-10 (millions)(1)(2)	$ 290	$ 190
Proved Reserves (MMBoe)(1)	24.7	62.6
Average Net Daily Production from January 1, 2017 – September 30, 2017(Boe/d)	3,000	9,533
Revenue Equivalent Barrels of oil per day from January 1, 2017 – September 30, 2017(1)(3)		3,650
Percent (%) product mix (Oil/Natural Gas Equivalent/NGLs for January 1, 2017 – September 30, 2017)	100 / 0 / 0	0 / 66 / 34

(1) We estimated reserve volumes and the PV-10 value of the Hugoton asset as of March 31, 2017 in accordance with SEC guidance. Reserve volumes and the PV-10 value of the Hill asset represents the value associated with the 84% non-operated working interest acquired in the Hill Acquisition and does not include the value associated with the 16% operated working interest already owned. We estimated reserve volumes of the Hill asset as of March 31, 2017 in accordance with SEC guidance. Primarily as a result of an increase in oil prices, the PV-10 value of the Hill asset has increased significantly since the completion of the Hill Acquisition. The PV-10 value in the table above is as of November 30, 2017. As of March 31, 2017, the PV-10 value of the Hill asset was approximately $216 million.

(2) PV-10 is a non-GAAP financial measure. For a definition of PV-10, please read "Prospectus Summary—Summary Reserves and Operating Data—PV-10." PV-10 does not give effect to derivatives transactions.
(3) Because the Hugoton asset produced primarily natural gas and the Hill asset produces oil, revenue from the sale of 9,533 Boe/d from the Hugoton asset would be equal to revenue generated from the sale of 3,650 Boe/d at the Hill asset.

Senior Unsecured Notes Offering

In February 2018, we closed the 2018 Notes Offering of $400 million principal amount of our 2026 Notes, which resulted in net proceeds to us of approximately $392 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the 2018 Notes Offering to repay borrowings under the RBL Facility and will use the remainder for general corporate purposes.

Capital Expenditures and Capital Budget

For the years ended December 31, 2016 and 2015, our capital expenditures were approximately $26 million and $152 million, respectively, on an accrual basis including amounts paid by Linn Energy and excluding acquisitions. Beginning in 2015 and carrying forward until the commencement of the Chapter 11 Proceeding in May 2016, attempting to decrease our predecessor company's level of indebtedness and maintain its liquidity at levels sufficient to meet its commitments, LINN Energy and our predecessor company undertook a number of actions, including minimizing capital expenditures and further reducing recurring operating expenses. Despite taking these actions, LINN Energy did not have sufficient liquidity to satisfy its debt service obligations, meet other financial obligations and comply with its debt covenants and commenced the Chapter 11 Proceeding. Prior to the Effective Date, our predecessor company had financed its drilling and development program primarily through internally generated net cash provided by operating activities and funding from LINN Energy. Following commencement of the Chapter 11 Proceeding, our predecessor company halted substantially all of its planned capital expenditures until the Effective Date.

For the nine months ended September 30, 2017, we invested approximately $59 million in capital expenditures. Following Berry LLC's emergence from bankruptcy and separation from the Linn Entities, we increased our pace of development and expect to continue to do so in 2018. Our 2018 anticipated capital expenditure budget of approximately $135 to $145 million represents an increase of approximately 84% over our expected 2017 capital expenditures of approximately $74 to $78 million. Based on current commodity prices and a drilling success rate comparable to our historical performance, we believe we will be able to fund our 2018 capital program with our levered free cash flow. We expect to:

- employ:
  - two drilling rigs in California continuously through 2018; and
  - one additional drilling rig assigned to certain projects in the second half of 2018;
- drill approximately 180 to 190 gross development wells, of which we expect at least 175 will be in California; and
- maintain a fairly constant pace of drilling throughout the year.

The table below sets forth by basin the allocation of our expected 2017 capital expenditures and the expected allocation of our 2018 capital expenditure budget assuming total capital expenditures of $140 million, the midpoint of the range of our estimated capital expenditures for 2018.

	Capital Expenditure by Area	
	2018 Budget	2017 Expected
	(in millions)	
California	$ 113	$ 74
Uinta	9	1
Piceance	12	1
East Texas	—	—
Corporate	6	—
Total	$ 140	$ 76

The amount and timing of these capital expenditures is within our control and subject to our management's discretion. We retain the flexibility to defer a portion of these planned capital expenditures depending on a variety of factors, including but not limited to the success of our drilling activities, prevailing and anticipated prices for oil, natural gas and NGLs, the availability of necessary equipment, infrastructure and capital, the receipt and timing of required regulatory permits and approvals, seasonal conditions, drilling and acquisition costs and the level of participation by other interest owners. Any postponement or elimination of our development drilling program could result in a reduction of proved reserve volumes and materially affect our business, financial condition and results of operations.

Commodity Derivatives

Historically, we have utilized swap contracts, collars and three-way collars to hedge a portion of our forecasted production and reduce exposure to fluctuations in oil and natural gas prices. Swap contracts are designed to provide a fixed price. Collar contracts specify floor and ceiling prices to be received as compared to floating market prices. Three-way collar contracts combine a short put (the lower price), a long put (the middle price) and a short call (the higher price) to provide a higher ceiling price as compared to a regular collar and limit downside risk to the market price plus the difference between the middle price and the lower price if the market price drops below the lower price. From time to time, we have also entered into derivative contracts for a portion of our natural gas consumption. We do not enter into derivative contracts for speculative trading purposes. We continuously consider the level of our production that is appropriate to hedge based on a variety of factors, including, among other things, current and future expected commodity prices, our overall risk profile, including leverage, size and scale, as well as any requirements for, or restrictions on, levels of hedging contained in any credit facility or other debt instrument applicable at the time. Currently, our hedging program mainly consists of swaps.

Our open positions as of September 30, 2017 were as follows:

	2017	2018	2019	2020
Sold NYMEX WTI call options:				
Hedged volume (MBbls)	150	900	840	390
Weighted average price ($/Bbl)	$55.00	$55.00	$57.32	$60.00
Oil positions:				
Fixed Price Swaps (NYMEX WTI)				
Hedged volume (MBbls)	1,335	4,817	4,197	—
Weighted average price ($/Bbl)	$52.54	$52.04	$52.05	—
Oil basis differential positions:				
ICE Brent – NYMEX WTI basis swaps				
Hedged volumes (MBbls)	552	1,460	1,095	—
Weighted average price ($/Bbl)	$ 1.24	$ 1.21	$ 1.17	—

The following table summarizes the historical results of our hedging activities.

	Berry Corp. (Successor) Seven Months Ended September 30, 2017	Berry LLC (Predecessor) Two Months Ended February 28, 2017
Crude Oil (per Bbl):		
Realized price, before the effects of derivative settlements	$ 44.86	$ 46.94
Effects of derivative settlements	$ 1.44	$ 0.25

In May 2016 and July 2016, as a result of the Chapter 11 Proceeding, our predecessor company's counterparties canceled (prior to the contract settlement dates) all of our predecessor company's then-outstanding derivative contracts and our predecessor company received net cash proceeds of approximately $2 million. The net cash proceeds received were used to make permanent repayments of a portion of the borrowings outstanding under the Pre-Emergence Credit Facility. In December 2016, our predecessor company entered into commodity derivative contracts consisting of oil swaps for January 2017 through December 2019. In February 2017, our predecessor company entered into commodity derivative contracts consisting of WTI/Brent basis swaps for March 2017 through December 2019. In July 2017, Berry Corp. entered into commodity derivative contracts consisting of oil swaps and oil options for July 2017 through June 2020. In October 2017, Berry Corp. entered into commodity derivatives contracts consisting of oil swaps for January 2018 through June 2018.

We expect our operations to generate substantial cash flows at current commodity prices. We have protected a portion of our anticipated cash flows through 2020 as part of our crude oil hedging program. Our low-decline production base, coupled with our stable operating cost environment, affords us the ability to hedge a material amount of our future expected production. As of January 4, 2018, we have hedged approximately 6.4 MMBbls for 2018, 5.0 MMBbls for 2019 and 0.4 MMBbls for 2020 of crude oil production.

Income Taxes

Prior to the Effective Date, Berry LLC was a limited liability company treated as a disregarded entity for federal and state income tax purposes, with the exception of the state of Texas. Limited liability companies are subject to Texas margin tax. As such, with the exception of the state of Texas, Berry LLC was not a taxable entity, it did not directly pay federal and state income taxes and recognition was not given to federal and state income taxes for the operations of Berry LLC. Upon emergence from bankruptcy, Berry Corp. acquired the assets of Berry LLC in a taxable asset acquisition as part of the restructuring. Consequently, we are now taxed as a corporation and have no pre-2017 net operating loss carryforwards.

Business Environment and Market Conditions

The oil and gas industry is heavily influenced by commodity prices. Since the latter half of 2014, commodity prices declined and remained at relatively low levels through of the beginning of 2017, but have generally risen since then. For example, the Brent spot price for oil declined from a high of over $115.06 per Bbl on June 19, 2014 to a low of $27.88 per Bbl on January 20, 2016, and the Henry Hub spot price for natural gas declined from a high of $6.15 per MMBtu on February 19, 2014 to a low of $1.64 per MMBtu on March 3, 2016. While prices remain lower than the 2014 averages, they have improved since early 2016. Our revenue, profitability and future growth are highly dependent on the prices we receive for our oil and natural gas production. Please see "Risk Factors—Risks Related to Our Business and Industry—Oil, natural gas and NGL prices are volatile."

The following table presents the average ICE (Brent) oil, NYMEX (WTI) oil and NYMEX Henry Hub natural gas prices for the nine months ended September 30, 2017, and the years ended December 31, 2016 and 2015:

	Nine Months Ended September 30, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015
ICE (Brent) oil ($/Bbl)	$ 52.59	$45.00	$53.64
NYMEX (WTI) oil ($/Bbl)	$ 49.47	$43.32	$48.80
NYMEX Henry Hub natural gas ($/MMBtu)	$ 3.17	$ 2.46	$ 2.66

Oil prices and differentials will continue to be affected by a variety of factors, including worldwide and regional economic conditions, transportation costs, imports, political conditions in producing regions, exploration levels, inventory levels, the actions of OPEC and other state-controlled oil companies and significant producers, local pricing, gathering facility and transportation dynamics, exploration, development, production and transportation costs, the effects of conservation, weather, geophysical and technology, refining and processing disruptions, exchange rates, taxes and regulations and other matters affecting the supply and demand dynamics for oil, technological advances, regional market conditions, transportation capacity and costs in producing areas and the effect of changes in these variables on market perceptions.

California oil prices are Brent-influenced as California refiners import more than 50% of the state's demand from foreign sources. There is a closer correlation of prices in California to Brent pricing than to WTI. Without the higher costs associated with importing crude via rail or supertanker, we believe our in-state production and low-cost crude transportation options, coupled with Brent-influenced pricing, will allow us to continue to realize strong cash margins in California.

Prices and differentials for NGLs are related to the supply and demand for the products making up these liquids. Some of them more typically correlate to the price of oil while others are affected by natural gas prices as well as the demand for certain chemical products for which they are used as feedstock. In addition, infrastructure constraints magnify pricing volatility.

Natural gas prices and differentials are strongly affected by local market fundamentals, as well as availability of transportation capacity from producing areas. Due to much lower levels of natural gas production compared to our oil production, the changes in natural gas prices have a smaller impact on our operating results.

Higher natural gas prices have a net negative effect on our operating results. We use a substantial amount of natural gas for our steamfloods and power generation, in addition to selling natural gas. The negative impact of higher prices on our operating costs is, however, partially offset by higher natural gas sales.

Our earnings are also affected by the performance of our cogeneration facilities. These cogeneration facilities generate both electricity and steam for our properties and electricity for off-lease sales. While a portion of the electric output of our cogeneration facilities is utilized within our production facilities to reduce operating expenses, we also sell electricity produced by three of our cogeneration facilities under long-term contracts. The price we obtain for our excess power impacts our earnings but generally by an insignificant amount.

Seasonality

Seasonal weather conditions and lease stipulations can limit our drilling and producing activities. These seasonal conditions can occasionally pose challenges in our Utah and Colorado operations for meeting well-drilling objectives and increase competition for equipment, supplies and personnel, which could lead to shortages and increase costs or delay operations. For example, our operations may be impacted by ice and snow in the winter and by electrical storms and high temperatures in the spring and summer, as well as by wild fires.

Production, Prices and Costs

The following table sets forth information regarding total production, average daily production, average prices and average costs for each of the periods indicated.

	Berry Corp. (Successor)	Berry LLC (Predecessor)			
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	Year Ended December 31, 2015
Average daily production:					
Oil (MBbls/d)	20.0	19.5	23.9	23.1	30.0
Natural Gas (MMcf/d)	57.2	71.7	78.6	78.1	92.7
NGL (MBbls/d)	2.6	5.2	3.7	3.6	2.9
Total (MBoe/d)	32.2	36.6	40.7	39.7	48.4
Weighted averages realized prices:					
Oil (per Bbl)	$ 44.86	$ 46.94	$ 34.00	$35.83	$42.27
Natural gas (per Mcf)	$ 2.69	$ 3.42	$ 2.15	$ 2.31	$ 2.66
NGL (per Bbl)	$ 21.67	$ 18.20	$ 16.08	$17.67	$20.27
Average index prices:					
Oil (per Bbl)—Brent	$ 51.70	$ 55.72	$ 42.97	$45.00	$53.64
Oil (per Bbl)—WTI	$ 48.45	$ 53.04	$ 41.33	$43.32	$48.80
Natural gas (per MMBtu)—NYMEX Henry Hub	$ 3.03	$ 3.66	$ 2.29	$ 2.46	$ 2.66
Costs and other items (per Boe of production):					
Lease operating expenses	$ 15.81	$ 13.06	$ 12.42	$12.73	$13.88
Electricity generation expenses	$ 1.48	$ 1.48	$ 1.09	$ 1.18	$ 1.02
Electricity sales	$ (2.26)	$ (1.69)	$ (1.57)	$ (1.60)	$ (1.39)
Transportation expenses	$ 2.71	$ 2.86	$ 2.91	$ 2.86	$ 2.95
Marketing expenses	$ 0.24	$ 0.30	$ 0.19	$ 0.21	$ 0.22
Marketing revenues	$ (0.28)	$ (0.29)	$ (0.25)	$ (0.25)	$ (0.32)
General and administrative expenses	$ 5.78	$ 3.68	$ 5.85	$ 5.45	$ 4.87
Depreciation, depletion and amortization	$ 7.03	$ 13.02	$ 12.54	$12.26	$14.23
Taxes, other than income taxes	$ 3.65	$ 2.41	$ 1.85	$ 1.73	$ 4.00

The following table sets forth average daily production by operating area:

	Berry Corp. (Successor)	Berry LLC (Predecessor)			
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	Year Ended December 31, 2015
Average daily production (MBoe/d):					
California(1)	17.4	17.0	21.0	20.2	25.8
Hugoton basin(2)	6.5	10.8	9.5	9.5	9.9
Uinta basin	5.4	5.4	5.9	5.8	8.0
Piceance basin	1.9	2.3	3.0	2.9	3.1
East Texas	1.0	1.1	1.3	1.3	1.6
	32.2	36.6	40.7	39.7	48.4

(1) On July 31, 2017, we purchased the remaining approximately 84% working interest of our South Belridge Hill property, located in Kern County, California.

(2) On July 31, 2017, we sold our 78% working interest in the Hugoton natural gas field located in southwest Kansas and the Oklahoma Panhandle. Our Hugoton assets represented approximately 24% of our average net daily production for the year ended December 31, 2016.

Average daily production volumes were 32.2 MBoe/d, 36.6 MBoe/d and 40.7 MBoe/d for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. Our average daily production volumes decreased in the nine months ended September 30, 2017 when compared to the same period in 2016, primarily due to reduced development capital spending in 2016 and early 2017 and the Hugoton Disposition in July 2017, partially offset by the additional oil volumes from the Hill Acquisition in July 2017.

The decreases in average daily production volumes in 2016, compared to 2015, primarily reflected reduced development capital spending throughout our various operating areas, as well as marginal well shut-ins, driven by continued low commodity prices. The decrease in average daily production volumes in California in 2016 also reflected operational challenges in our Diatomite development program. These challenges included a steaming and producing strategy, developed in a higher commodity price environment, that favored oil production over steam oil ratios (efficiency). Application of this strategy, while effective with higher commodity prices, resulted in uneconomic production that was shut in when oil prices declined. The areas with the highest steam oil ratios were generally the deeper, lower oil saturated zones. In 2017, we pursued various alternative strategies to address well performance, including: a refined steaming and producing strategy to optimize the steam oil ratio, re-completing wells in higher oil saturated pay zones, and focusing on the shallow areas. We have reduced historic capital spending in this program until results from the new strategies materialize. The decrease in average daily production volumes in the Uinta Basin operating area in 2016 also reflects lower production volumes as a result of wells that were uneconomic to return to production.

We report electricity and marketing sales separately in our financial statements as revenues in accordance with GAAP. However, these revenues are viewed and used internally in calculating operating expenses which is used to track and analyze the economics of development projects and the efficiency of our hydrocarbon recovery. We purchase third party gas to generate electricity through our cogeneration facilities to be used in our field operations activities and view the added benefit of any excess electricity sold externally as a cost reduction/benefit to generating steam for our thermal recovery operations. Marketing expenses mainly relate to natural gas purchased from third parties that moves through our gathering and processing systems and then is sold to third parties.

Results of Operations

Seven Months Ended September 30, 2017, Two Months Ended February 28, 2017 and Nine Months Ended September 30, 2016

The following table presents our results of operations for each of the periods presented.

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
	(unaudited)	(unaudited)	(unaudited)
		(in thousands)	
Revenues and other:			
Oil, natural gas and NGL sales	$ 237,324	$ 74,120	$ 285,538
Electricity sales	15,517	3,655	17,573
Gains on oil and natural gas derivatives	5,642	12,886	1,642
Marketing revenues	1,901	633	2,743
Other revenues	3,902	1,424	5,634
	$ 264,286	$ 92,718	$ 313,130
Expenses:			
Lease operating expenses	108,751	28,238	138,557
Electricity generation expenses	10,192	3,197	12,118
Transportation expenses	18,645	6,194	32,518
Marketing expenses	1,674	653	2,173
General and administrative expenses	39,791	7,964	65,313
Depreciation, depletion and amortization	48,392	28,149	139,980
Impairment of long-lived assets	—	—	1,030,588
Taxes, other than income taxes	25,113	5,212	20,614
Gains on sale of assets and other, net	(20,687)	(183)	(137)
	231,871	79,424	1,441,724
Other income and (expenses)			
Interest expense	(12,482)	(8,245)	(48,719)
Other, net	4,070	(63)	(79)
Reorganization items, net	(1,001)	(507,720)	(38,829)
Loss before income taxes	23,002	(502,734)	(1,216,221)
Income tax expense	9,190	230	196
Net income (loss)	$ 13,812	$ (502,964)	$(1,216,417)

Revenues and Other

Oil, natural gas and NGL sales were approximately $237 million, $74 million and $286 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. Oil, natural gas and NGL sales increased for the nine months ended September 30, 2017 when compared to the same period in 2016 primarily due to an increase in realized prices

and increased oil production as a result of the Hill Acquisition, partially offset by reduced natural gas production as a result of the Hugoton Disposition and decline in oil and gas production.

Electricity sales were approximately $16 million, $4 million and $18 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. Electricity sales increased for the nine months ended September 30, 2017 when compared to the same period in 2016 primarily due to higher volumes sold externally because of lower internal usage as well as higher prices.

Gains on oil and natural gas derivatives were approximately $6 million, $13 million and $2 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. The increase in gains for the nine months ended September 30, 2017 when compared to the same period in 2016 was primarily due to increased hedging activity, a significant portion of which was required by our credit facilities, and improved commodity prices relative to the fixed prices of our derivative contracts.

Expenses

Lease operating expenses include fuel, labor, field office, vehicle, supervision, maintenance, tools and supplies, and workover expenses. Lease operating expenses were approximately $109 million, $28 million and $139 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. Lease operating expenses for the nine months ended September 30, 2017 were comparable to the same period in 2016. Lease operating expenses per Boe increased from the nine months ended September 30, 2017 when compared to the same period in 2016 primarily due to the effect of the Hugoton Disposition (natural gas production) and the Hill Acquisition (oil production) and our production decline as a result of decreased activity and a reduction of steamflooding. The conversion of natural gas to barrels of oil equivalent based on energy content (6:1) as opposed to using a price conversion ratio (currently greater than 6:1) results in a comparatively higher production number on a barrels of oil equivalent basis. Thus, replacing natural gas production with oil production in 2017 had a disproportionate impact on our costs per Boe when comparing these respective periods.

Electricity generation expenses were approximately $10 million, $3 million and $12 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. The increase for the nine months ended September 30, 2017 when compared to the same period in 2016, was primarily due to the increase in the price of natural gas used in steam generation.

Transportation expenses were approximately $19 million, $6 million and $33 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. The decrease for the nine months ended September 30, 2017 when compared to the same period in 2016, was primarily due to the cancellation of uneconomic contracts in the Chapter 11 Proceedings and the Hugoton Disposition, which required significant transportation expenses.

Marketing expenses were approximately $2 million, $0.7 million and $2 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. The increase in marketing expenses for the nine months ended September 30, 2017, when compared to the same period in 2016, was primarily due to the increase in the price of natural gas.

General and administrative expenses were approximately $40 million, $8 million and $65 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. The decrease for the nine months ended September 30, 2017 when compared to the same period in 2016, was primarily due to the management change in conjunction with our emergence from bankruptcy. The reduction in absolute dollars offset by lower production resulted in lower general and administrative expenses per Boe for the nine months ended September 30, 2017 when compared to the same period in 2016. General and administrative expenses include non-recurring restructuring and other costs of

approximately $27 million and non-cash stock compensation costs of approximately $1 million for the seven months ended September 30, 2017. General and administrative expenses in 2016 mainly consisted of allocations from our parent company at the time.

Depreciation, depletion and amortization was approximately $48 million, $28 million and $140 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. The decrease for the nine months ended September 30, 2017 when compared to the same period in 2016, was primarily due to the fair market revaluation of our assets in fresh-start accounting resulting in a lower depreciable asset base. The reduction in absolute dollars offset by lower production resulted in lower depreciation, depletion and amortization per Boe for the nine months ended September 30, 2017 when compared to the same period in 2016.

Impairment of Long-Lived Assets

We recorded the following noncash impairment charges associated with proved oil and natural gas properties:

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
	(in thousands)		
California operating area	$ —	$ —	$ 984,288
Uinta basin operating area	—	—	26,677
East Texas operating area	—	—	6,387
Piceance basin operating area	—	—	—
Proved oil and natural gas properties	—	—	1,017,352
California operating area and unproved oil and natural gas properties	—	—	13,236
Impairment of long-lived assets	$ —	$ —	$ 1,030,588

The impairment charge of $1.0 billion for the nine months ended September 30, 2016 was primarily due to a decline in commodity prices and changes in expected capital development resulting in a decline of our proved reserves.

Taxes, Other Than Income Taxes

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
	(in thousands)		
Severance taxes	$ 6,752	$ 1,540	$ 4,151
Ad valorem taxes	9,401	2,108	7,028
Greenhouse gas allowances	8,960	1,564	9,303
Other	—	—	132
	$ 25,113	$ 5,212	$ 20,614

Taxes, other than income taxes were approximately $25 million, $5 million and $21 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. Severance taxes, which are a function of revenues generated from production in certain jurisdictions, increased for the nine months ended September 30, 2017 when compared to the same period in 2016, primarily from increased commodity prices partially offset by lower production. Ad valorem taxes, which are based on the value of reserves and production equipment, and vary by location, increased from the nine months ended September 30, 2017 when compared to the same period in 2016, as a result of higher estimated valuations by various tax authorities based on increased commodity prices. Greenhouse gas allowances increased from the nine months ended September 30, 2017 when compared to the same period in 2016, primarily due to higher emissions from increased development activity and an increase in the price of allowances.

Gains on sales of assets and other, net were approximately $21 million, $0.2 million and $0.1 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. The increase for the nine months ended September 30, 2017 when compared to the same period in 2016 was primarily due to the Hugoton Disposition.

Other income and (expenses)

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
	(in thousands)		
Interest expense, net of amounts capitalized	$ (12,482)	$ (8,245)	$ (48,719)
Other, net	4,070	(63)	(79)
	$ (8,412)	$ (8,308)	$ (48,798)

Interest expense decreased for the nine months ended September 30, 2017 when compared to the same period in 2016, primarily due to reduced debt resulting from the bankruptcy. Other, net for the nine months ended September 30, 2017, primarily consists of a refund of a federal tax overpayment.

Reorganization items, net were approximately $1 million, $508 million and $39 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. Reorganization items, net increased for the nine months September 30, 2017 when compared to the same period in 2016, primarily due to the impact from the application of fresh-start accounting in conjunction with our emergence from bankruptcy.

Income tax expense was approximately $9 million, $230,000 and $196,000 for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. Income tax expense increased for the nine months ended September 30, 2017 when compared to the same period in 2016, due to the change in our federal and state tax status in connection with our emergence from bankruptcy.

Years Ended December 31, 2016 and 2015

The following table presents our results of operations for each of the periods presented.

	Berry LLC (Predecessor) Year Ended December 31,	
	2016	2015
	(in thousands)	
Revenues and other:		
Oil, natural gas and NGL sales	$ 392,345	$ 575,031
Electricity sales	23,204	24,544
(Losses) gains on oil and natural gas derivatives	(15,781)	29,175
Marketing revenues	3,653	5,709
Other revenues	7,570	7,195
	410,991	641,654
Expenses:		
Lease operating expenses	185,056	245,155
Electricity generation expenses	17,133	18,057
Transportation expenses	41,619	52,160
Marketing expenses	3,100	3,809
General and administrative expenses	79,236	85,993
Depreciation, depletion and amortization	178,223	251,371
Impairment of long-lived assets	1,030,588	853,810
Taxes, other than income taxes	25,113	70,593
Gains on sale of assets and other, net	(109)	(1,919)
	1,559,959	1,579,029
Other income and (expenses)	(61,450)	(77,870)
Reorganization items, net	(72,662)	—
Loss before income taxes	(1,283,080)	(1,015,245)
Income tax expense (benefit)	116	(68)
Net loss	$ (1,283,196)	$ (1,015,177)

Revenues and Other

Oil, natural gas and NGL sales decreased by approximately $183 million, or 32%, to approximately $392 million for the year ended December 31, 2016, from approximately $575 million for the year ended December 31, 2015, due to lower oil, natural gas and NGL prices and lower production volumes. Lower oil, natural gas and NGL prices resulted in a decrease in revenues of approximately $55 million, $10 million and $3 million, respectively.

Electricity sales decreased by approximately $1 million, or 5%, to approximately $23 million for the year ended December 31, 2016, from approximately $25 million for the year ended December 31, 2015, primarily due to decreases in the average sales price of electricity partially offset by an increase in electric power sold during the period.

Losses on oil and natural gas derivatives were approximately $16 million for the year ended December 31, 2016, compared to gains of approximately $29 million for the year ended December 31, 2015, representing a variance of approximately $45 million. Losses on oil and natural gas derivatives were primarily due to changes in fair value of the derivative contracts.

Marketing revenues and other revenues decreased by approximately $2 million, or 13%, to approximately $11 million for the year ended December 31, 2016, from approximately $13 million for the year ended December 31, 2015. The decrease was primarily due to lower marketing revenues principally due to a decrease in natural gas prices partially offset by higher helium sales revenue in the Hugoton basin. In 2015 and 2016, marketing revenues primarily represent third-party activities associated with our long-term firm transportation contracts. These contracts were cancelled in connection with our predecessor company's bankruptcy. Sales of third-party natural gas are recorded as marketing revenues and other revenues primarily include helium sales revenue.

Expenses

Lease operating expenses decreased by approximately $60 million, or 25%, to approximately $185 million for the year ended December 31, 2016, from approximately $245 million for the year ended December 31, 2015. The decrease was primarily due to cost savings initiatives and lower workover activities, as well as lower prices for natural gas used in steam generation and a decrease in steam injection volumes. Lease operating expenses per Boe also decreased to $12.73 per Boe for the year ended December 31, 2016, from $13.88 per Boe for the year ended December 31, 2015.

Electricity generation expenses decreased by approximately $1 million, or 5%, to approximately $17 million for the year ended December 31, 2016, from approximately $18 million for the year ended December 31, 2015, primarily due to a decrease in natural gas fuel cost partially offset by an increase in natural gas fuel volumes purchased.

Transportation expenses decreased by approximately $11 million, or 20%, to approximately $42 million for the year ended December 31, 2016, from approximately $52 million for the year ended December 31, 2015, primarily due to reduced costs as a result of certain contracts terminated in the Chapter 11 Proceeding and lower production volumes.

Purchases of third-party natural gas are recorded as marketing expenses. Marketing expenses decreased by approximately $1 million, or 19%, to approximately $3 million for the year ended December 31, 2016, from approximately $4 million for the year ended December 31, 2015, primarily due to a decrease in natural gas prices.

General and administrative expenses decreased by approximately $7 million, or 8%, to approximately $79 million for the year ended December 31, 2016, from approximately $86 million for the year ended December 31, 2015. The decrease was primarily due to lower costs allocated to our predecessor company by Linn Operating, Inc. ("Linn Operating"), principally as a result of reduced salaries and benefits related expenses at Linn Operating, partially offset by higher professional services expenses principally related to prepetition strategic alternatives activities Linn Operating pursued on behalf of our predecessor company. General and administrative expenses per Boe increased to $5.45 per Boe for the year ended December 31, 2016, from $4.87 per Boe for the year ended December 31, 2015.

Depreciation, depletion and amortization decreased by approximately $73 million, or 29%, to approximately $178 million for the year ended December 31, 2016, from approximately $251 million for the year ended December 31, 2015. The decrease was primarily due to lower rates as a result of the impairments recorded in the prior year and the first quarter of 2016, as well as lower total production volumes. Depreciation, depletion and amortization per Boe also decreased to $12.26 per Boe for the year ended December 31, 2016, from $14.23 per Boe for the year ended December 31, 2015.

Impairment of Long-Lived Assets

We recorded the following noncash impairment charges associated with proved oil and natural gas properties:

	Berry LLC Year Ended December 31,	
	2016	2015
	(in thousands)	
California operating area	$ 984,288	$ 537,511
Uinta basin operating area	26,677	111,339
East Texas operating area	6,387	78,437
Piceance basin operating area	—	55,344
Proved oil and natural gas properties	1,017,352	782,631
California operating area unproved oil and natural gas properties	13,236	71,179
Impairment of long-lived assets	$ 1,030,588	$ 853,810

The impairment charges in 2016 and 2015 were due to a decline in commodity prices, changes in expected capital development and a decline in our estimates of proved reserves.

Taxes, Other Than Income Taxes

	Berry LLC Year Ended December 31,	
	2016	2015
	(in thousands)	
Severance taxes	$ 7,968	$ 8,248
Ad valorem taxes	10,951	44,980
Greenhouse gas allowances	6,063	17,363
Other	131	2
	$ 25,113	$ 70,593

Taxes, other than income taxes decreased by approximately $45 million, or 64%, to approximately $25 million for the year ended December 31, 2016, compared to $71 million for the year ended December 31, 2015. Severance taxes decreased primarily due to lower oil, natural gas and NGL prices and lower production volumes, partially offset by reduced incentives on certain wells in the Uinta basin operating area for 2016 compared to 2015. Ad valorem taxes decreased primarily due to lower estimated valuations on certain of our properties. Greenhouse gas allowances decreased primarily due to lower anticipated emissions compliance obligations as a result of reduced capital spending levels and a decrease in steam injection volumes.

Other Income and (Expenses)

	Berry LLC Year Ended December 31,	
	2016	2015
	(in thousands)	
Interest expense, net of amounts capitalized	$ (61,268)	$ (85,818)
Gain on extinguishment of debt	—	11,209
Other, net	(182)	(3,261)
	$ (61,450)	$ (77,870)

Other expenses decreased by approximately $16 million to approximately $61 million for the year ended December 31, 2016, compared to the $78 million for the year ended December 31, 2015. Interest expense decreased primarily due to our discontinuation of interest expense recognition on our Unsecured Notes for the period from May 12, 2016 through December 31, 2016, as a result of the Chapter 11 Proceeding, and lower outstanding debt during the period. For the period from May 12, 2016 through December 31, 2016, contractual interest, which was not recorded, on the senior notes was approximately $35 million.

Reorganization Items, Net

We have incurred significant costs associated with our reorganization through bankruptcy. Reorganization items represent costs and income directly associated with the Chapter 11 Proceeding since the May 11, 2016, and also include adjustments to reflect the carrying value of certain liabilities subject to compromise at their estimated allowed claim amounts, as such adjustments are determined.

The following table summarizes the components of reorganization items included on the statement of operations:

	Year ended December 31, 2016 (in thousands)
Legal and other professional advisory fees	$ (30,130)
Unamortized premiums	10,923
Terminated contracts(1)	(55,148)
Other	1,693
	$ (72,662)

(1) In connection with our emergence from bankruptcy, we terminated or renegotiated more favorable terms for several firm transportation and oil sales contracts.

Income Tax Expense (Benefit) Prior to the consummation of the Plan, Berry LLC was a limited liability company treated as a disregarded entity for federal and state income tax purposes, with the exception of the state of Texas. Limited liability companies are subject to Texas margin tax. As such, with the exception of the state of Texas, Berry LLC was not a taxable entity, it did not directly pay federal and state income taxes, and did not recognize federal and state income taxes for the operations of Berry LLC. Following emergence from bankruptcy, Berry Corp. is taxed as a corporation. Berry LLC recognized income tax expense of approximately $116 thousand for the year ended December 31, 2016, compared to an income tax benefit of approximately $68 thousand for the year ended December 31, 2015.

Liquidity and Capital Resources

Currently, we expect our primary sources of liquidity and capital resources will be internally generated free cash flow from operations after debt service, or levered free cash flow, and as needed, borrowings under the RBL Facility. Depending upon market conditions and other factors, we could also issue equity and debt securities; however, we expect our operations to continue to generate sufficient levered free cash flow at current commodity prices to fund maintenance operations and organic growth. We believe our liquidity and capital resources will be sufficient to conduct our business and operations for the next twelve months. We completed the 2018 Notes Offering in February of 2018 and used a portion of the proceeds to repay borrowings under our RBL Facility.

The RBL Facility contains certain financial covenants, including the maintenance of (i) a Leverage Ratio (as defined in the RBL Facility) not to exceed 4.00:1.00 and (ii) a Current Ratio (as defined in the RBL Facility) not to be less than 1.00:1.00. As of September 30, 2017 our Leverage Ratio and Current Ratio were 2.50 and 1.46,

respectively. In addition, the RBL Facility currently provides that to the extent we incur certain unsecured indebtedness, including any amounts raised in this offering, our borrowing base will be reduced by an amount equal to 25% of the amount of such unsecured indebtedness. As of , 2018 our borrowing base was approximately $ million and we had $ million available for borrowing under the RBL Facility. At September 30, 2017, we were in compliance with the financial covenants under the RBL Facility.

Historically, our predecessor company utilized funds from debt offerings, borrowings under its credit facility and net cash provided by operating activities, as well as funding from our former parent, for capital resources and liquidity, and the primary use of capital was for the development of oil and natural gas properties. For the years ended December 31, 2016 and 2015, our predecessor company's capital expenditures were approximately $26 million and $152 million, respectively, on an accrual basis including amounts paid by Linn Energy and excluding acquisitions.

We have protected a significant portion of our anticipated cash flows through our commodity hedging program, including through fixed price derivative contracts. As of January 4, 2018, we have hedged approximately 6.4 MMBbls for 2018, 5.0 MMBbls for 2019 and 0.4 MMBbls for 2020 of crude oil production.

Future cash flows are subject to a number of variables discussed in "Risk Factors". Further, our capital investment budget for the year ended December 31, 2018, does not allocate any amounts for acquisitions of oil and natural gas properties. If we make acquisitions, we would be required to reduce the expected level of capital investments or seek additional capital. If we require additional capital we may seek such capital through borrowings under the RBL Facility, joint venture partnerships, production payment financings, asset sales, additional offerings of debt or equity securities or other means. We cannot be sure that needed capital would be available on acceptable terms or at all. If we are unable to obtain funds on acceptable terms, we may be required to curtail our current development programs, which could result significant declines in our production.

See "—Our Capital Budget" for a description of our 2018 capital expenditure budget.

Statements of Cash Flows

The following is a comparative cash flow summary:

	Berry Corp. (Successor)	Berry LLC (Predecessor)			
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	2015
			(in thousands)		
Net cash:					
Provided by (used in) operating activities	$ 88,364	$ (30,176)	$ 3,269	$ 12,345	$ 122,518
(Used in) provided by investing activities	(74,563)	(3,133)	27,056	18,816	101,368
(Used in) provided by financing activities	(43,049)	35,000	(1,701)	(1,701)	(224,449)
Net (decrease) increase in cash and cash equivalents	$ (29,248)	$ 1,691	$ 28,624	$ 29,460	$ (563)

Operating Activities

Cash provided by operating activities increased for the nine months ended September 30, 2017 when compared to the same period in 2016, primarily due to the increases in the price of oil and natural gas, decreases in costs incurred in conjunction with our emergence from bankruptcy and improvement in working capital items.

Cash provided by operating activities for the year ended December 31, 2016, was approximately $12 million, compared to approximately $123 million for the year ended December 31, 2015. The decrease was primarily due to lower commodity prices and lower production volumes, as well as lower cash settlements on derivatives and costs related to the bankruptcy.

Investing Activities

The following provides a comparative summary of cash flow from investing activities:

	Berry Corp. (Successor)	Berry Corp. (Successor)			
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	Year Ended December 31, 2015
			(in thousands)		
Capital expenditures (1)	$ (52,572)	$ (3,158)	$ (26,534)	$ (34,796)	$ (50,374)
Settlement of advance to affiliate	—	—	—	—	129,217
(Increase) in restricted cash	—	—	53,418	53,418	—
Purchase of properties and equipment and other	(256,814)	—	—	—	—
Deposits for acquisitions of oil and gas properties	—	—	—	—	—
Proceeds from sale of properties and equipment and other	234,823	25	172	194	22,525
Cash (used in) provided by investing activities:	$ (74,563)	$ (3,133)	$ 27,056	$ 18,816	$ 101,368

(1) Based on actual cash payments rather than accrual.

Cash used in investing activities was approximately $75 million and $3 million for the seven months ended September 30, 2017 and the two months ended February 28, 2017, respectively, and cash provided by investing activities was approximately $27 million during the nine months ended September 30, 2016. The increase in cash used for investing activities from the nine months ended September 30, 2017 when compared to the same period in 2016, was primarily due to the Hill Acquisition, partially offset by the Hugoton Disposition. Capital expenditures were approximately $53 million, $3 million and $27 million for the seven months ended September 30, 2017, the two months ended February 28, 2017 and the nine months ended September 30, 2016, respectively. The increase from the nine months ended September 30, 2017 when compared to the same period in 2016, was primarily due to development of oil and gas properties as a result of increased liquidity. Our liquidity improved significantly in 2017 due to our emergence from bankruptcy and improved commodity prices.

Cash provided by investing activities for the year ended December 31, 2016, was approximately $19 million, compared to approximately $101 million for the year ended December 31, 2015. On September 30, 2015, LINN Energy repaid in full its remaining advance of approximately $129 million. The decrease was primarily due to the settlement of this advance. Capital expenditures were $26 million in 2016 and decreased from 2015 primarily due to lower spending on development activities throughout our various operating areas as a result of continued low commodity prices, partially offset by funding our own development operations, rather than LINN Energy spending on our behalf. For the year ended December 31, 2015, LINN Energy spent approximately $165 million on capital expenditures in respect of our operations. In addition, during the second quarter of 2016, restricted cash decreased by approximately $53 million as a result of an amendment to the Pre-Emergence Credit Facility and restructuring support agreement.

Financing Activities

Cash used in financing activities was approximately $43 million for the seven months ended September 30, 2017, and was primarily related to repayments on the prior Emergence Credit Facility offset by borrowings on the new RBL Facility. Cash provided by financing activities was approximately $35 million for the two months ended February 28, 2017 and was primarily related to the receipt of proceeds from the issuance of our Series A Preferred Stock offset by repayments on the Pre-Emergence Credit Facility. Cash used in financing activities was approximately $2 million for the nine months ended September 30, 2016, and was primarily related to repayments of the Pre-Emergence Credit Facility.

Cash used in financing activities of approximately $2 million for the year ended December 31, 2016, was related to the repayment of a portion of the borrowings outstanding under the Pre-Emergence Credit Facility. Cash used in financing activities of approximately $224 million for the year ended December 31, 2015, was primarily related to the repayment of a portion of the borrowings outstanding under the Pre-Emergence Credit Facility, cash distributions to LINN Energy and repurchases of senior notes, partially offset by capital contributions made by LINN Energy to our predecessor company. In addition, in May 2015, LINN Energy made a capital contribution of $250 million to our predecessor company, which was deposited on our predecessor company's behalf and posted as restricted cash with our predecessor company's lenders in connection with the reduction of its borrowing base.

Debt

2018 Notes Offering

In February 2018, we closed the 2018 Notes Offering of $400 million principal amount of our 2026 Notes, which resulted in net proceeds to us of approximately $392 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the 2018 Notes Offering to repay borrowings under the RBL Facility and will use the remainder for general corporate purposes.

We may, at our option, redeem all or a portion of the 2026 Notes at any time on or after February 15, 2021. We are also entitled to redeem up to 35.0% of the aggregate principal amount of the 2026 Notes before February 15, 2021, with an amount of cash not greater than the net proceeds that we raise in certain equity offerings at a redemption price equal to 107.000% of the principal amount of the 2026 Notes being redeemed, plus accrued and unpaid interest, if any. In addition, prior to February 15, 2021, we may redeem some or all of the 2026 Notes at a price equal to 100% of the principal amount thereof, plus a "make-whole" premium, plus any accrued and unpaid interest. If we experience certain kinds of changes of control, holders of the 2026 Notes may have the right to require us to repurchase their notes at 101.0% of the principal amount of the 2026 Notes, plus accrued and unpaid interest, if any.

The 2026 Notes are our senior unsecured obligations and rank equally in right of payment with all of our other senior indebtedness and senior to any of our subordinated indebtedness. The notes are fully and unconditionally guaranteed on a senior unsecured basis by us and will also be guaranteed by certain of our future subsidiaries (other than Berry LLC). The 2026 Notes and related guarantees are effectively subordinated to all of our secured indebtedness (including all borrowings and other obligations under our RBL Facility) to the extent of the value of the collateral securing such indebtedness, and structurally subordinated in right of payment to all existing and future indebtedness and other liabilities (including trade payables) of any future subsidiaries that do not guarantee the 2026 Notes.

The indenture governing the 2026 Notes contains restrictive covenants that may limit our ability to, among other things:

- incur or guarantee additional indebtedness or issue certain types of preferred stock;
- pay dividends on capital stock or redeem, repurchase or retire our capital stock or subordinated indebtedness

- transfer or sell assets;
- make investments;
- create certain liens securing indebtedness;
- enter into agreements that restrict dividends or other payments from our restricted subsidiaries to us;
- consolidate, merge or transfer all or substantially all of our assets; and
- engage in transactions with affiliates.

The indenture governing the 2026 Notes contains customary events of default, including, among others, (a) non-payment; (b) non-compliance with covenants (in some cases, subject to grace periods); (c) payment default under, or acceleration events affecting, material indebtedness and (d) bankruptcy or insolvency events involving us or certain of our subsidiaries.

RBL Facility

On July 31, 2017, Berry LLC, as borrower, entered the RBL Facility. The RBL Facility provides for a revolving loan with up to $1.5 billion of commitments. The RBL Facility also provides a letter of credit subfacility for the issuance of letters of credit in an aggregate amount not to exceed $25 million. Issuances of letters of credit reduce the borrowing availability for revolving loans under the RBL Facility on a dollar for dollar basis. As of , 2018, Berry LLC had $ million in borrowings and $ million in letters of credit outstanding under the RBL Facility. As of the date of this prospectus, the borrowing base is set at $ million. Borrowing base redeterminations become effective on or about each May 1 and November 1, although each of the borrower and the administrative agent may make one interim redetermination between scheduled redeterminations. The RBL Facility matures on July 29, 2022, unless earlier terminated in according with the RBL Facility.

The outstanding borrowings under the revolving loan bear interest at a rate equal to either (i) a customary London interbank offered rate plus an applicable margin ranging from 2.50% to 3.5% per annum, and (ii) a customary base rate plus an applicable margin ranging from 1.5% to 2.5% per annum, in each case depending on levels of borrowing base utilization. In addition, we must pay the lenders a quarterly commitment fee of 0.50% on the average daily unused amount of the borrowing availability under the RBL Facility. We have the right to prepay any borrowings under the RBL Facility with prior notice at any time without a prepayment penalty, other than customary “breakage” costs with respect to eurodollar loans.

Berry Corp. guarantees, and each future subsidiary of Berry Corp. (other than Berry LLC), with certain exceptions, is required to guarantee, our obligations and obligations of the other guarantors under the RBL Facility and under certain hedging transactions and banking services arrangements (the “Guaranteed Obligations”). In addition, pursuant to a Guaranty Agreement dated as of July 31, 2017 (the “Guaranty Agreement”), Berry LLC guarantees the Guaranteed Obligations. The obligations of Berry LLC and the guarantors are secured by liens on substantially all of our personal property, subject to customary exceptions. Pursuant to the requirements of the RBL Facility, with certain exceptions, any future subsidiaries of Berry LLC will also have to become pledgers and grantors.

The RBL Facility requires us to maintain on a consolidated basis as of September 30, 2017 and each quarter-end thereafter (i) a leverage ratio of no more than 4.00 to 1.00 and (ii) a current ratio of at least 1.00 to 1.00. The RBL Facility also contains customary restrictions that may limit our ability to, among other things:

- incur or guarantee additional indebtedness;
- transfer or sell assets;
- make loans to others;

- make investments;
- merge with another entity;
- make or declare dividends
- hedge future production or interest rates;
- enter into transactions with affiliates;
- incur liens; and
- engage in certain other transactions without the prior consent of the lenders.

The RBL Facility also contains customary events of default and remedies for credit facilities of a similar nature. If we do not comply with the financial and other covenants in the RBL Facility, the lenders may, subject to customary cure rights, require immediate payment of all amounts outstanding under the RBL Facility and exercise all of their other rights and remedies, including foreclosure on all of the collateral.

Pre-Emergence Credit Facility and Emergence Credit Facility

As of December 31, 2016, we had approximately $898 million in total borrowings outstanding (including approximately $7 million in outstanding letters of credit) under the Pre-Emergence Credit Facility and no remaining availability. All outstanding obligations under the Pre-Emergence Credit Facility were canceled and the agreements governing these obligations were terminated on the Effective Date. Also on the Effective Date, Berry LLC entered into the Emergence Credit Facility. Borrowings under the RBL Facility were primarily incurred to repay borrowings made under the Emergence Credit Facility. All outstanding obligations under the Emergence Credit Facility were canceled and the agreements governing these obligations were terminated on July 31, 2017.

Unsecured Notes

During the year ended December 31, 2015, we repurchased at a discount, on the open market and through a privately negotiated transaction, approximately $65 million of our Unsecured Notes. In connection with our emergence from the Chapter 11 Proceeding, all outstanding obligations under the Unsecured Notes, were canceled and the indentures and related agreements governing those obligations were terminated.

Lawsuits, Claims, Commitments, Contingencies and Contractual Obligations

In the normal course of business, we, or our subsidiary, are subject to lawsuits, environmental and other claims and other contingencies that seek, or may seek, among other things, compensation for alleged personal injury, breach of contract, property damage or other losses, punitive damages, civil penalties, or injunctive or declaratory relief.

On May 11, 2016 our predecessor company filed the Chapter 11 Proceeding. Our bankruptcy case was jointly administered with that of LINN Energy and its affiliates under the caption In re Linn Energy, LLC, et al., Case No. 16-60040. On January 27, 2017, the Bankruptcy Court approved and confirmed our plan of reorganization in the Chapter 11 Proceeding. On the Effective Date, the Plan became effective and was implemented. The Chapter 11 Proceeding will, however, remain pending until final resolution of all outstanding claims.

In March 2017, Wells Fargo Bank, N.A. (“Wells”), the administrative agent under the Pre-Emergence Credit Facility, filed a motion in the Bankruptcy Court seeking payment of post-petition default interest in the amount of approximately $14 million. We have posted a letter of credit for approximately this amount pending the court’s final order. The court resolved Wells’ motion in our favor on November 13, 2017. Wells filed an appeal on November 27, 2017, and the parties are awaiting the ruling of the appellate court.

We accrue reserves for currently outstanding lawsuits, claims and proceedings when it is probable that a liability has been incurred and the liability can be reasonably estimated. Reserve balances at September 30, 2017 and December 31, 2016 were not material to our balance sheets as of such dates. We also evaluate the amount of reasonably possible losses that we could incur as a result of these matters. We believe that reasonably possible losses that we could incur in excess of reserves accrued on our balance sheet would not be material to our consolidated financial position or results of operations. For information related to Berry LLC's emergence from bankruptcy and the terms of the RBL Facility, see "—Chapter 11 Bankruptcy and Our Emergence" and "Liquidity and Capital Resources—Debt—New RBL Facility."

The following is a summary of our commitments and contractual obligations as of September 30, 2017:

	Payments Due				
Contractual Obligations	**Total**	**2017**	**2018-2019**	**2020-2021**	**2022 and Beyond**
			(in thousands)		
Debt obligations:					
RBL Facility	$379,000	$ —	$ —	$ —	$379,000
Interest(1)	85,795	4,480	35,545	35,545	10,225
Other:					
Commodity derivatives	15,155	1,767	12,296	1,092	—
Firm natural gas transportation contracts(2)	10,018	428	3,465	3,476	2,649
Off-Balance Sheet arrangements:					
Operating lease obligations	2,639	313	2,326	—	—
Purchase obligations and other(3)	6,589	589	6,000	—	—
	$499,196	$7,577	$ 59,632	$ 40,113	$391,874

(1) Represents interest on the RBL Facility computed at 4.5% through contractual maturity in 2022.

(2) We enter into certain firm commitments to transport natural gas production to market and to transport natural gas for use in our cogeneration and conventional steam generation facilities. The remaining terms of these contracts range from approximately five to seven years and require a minimum monthly charge regardless of whether the contracted capacity is used or not.

(3) Included in these obligations is a commitment to (i) invest at least $9 million to extend an existing access road in connection with our Piceance assets or construct a new access road or (ii) pay 50% of the difference between $12 million and the actual amount spent on such access road construction prior to the end of 2018. We have not yet obtained an extension for the road obligation, obtained access to an existing road or started construction of a new access road. We may be unable to extend the deadline and may trigger the payment obligation that, if we were unable to resolve through negotiations, would reduce our capital available for investment.

Berry Corp. and Berry LLC have indemnified various parties against specific liabilities those parties might incur in the future in connection with transactions that they have entered into with us. As of September 30, 2017, we are not aware of material indemnity claims pending or threatened against us.

Counterparty Credit Risk

We account for our commodity derivatives at fair value. We had three commodity derivative counterparties at December 31, 2016 and five at September 30, 2017, and did not receive collateral from any of our counterparties. We minimize the credit risk in derivative instruments by limiting our exposure to any single counterparty. In addition, the RBL Facility prevents us from entering into hedging arrangements that are secured except with our lenders and their affiliates, that have margin call requirements, that otherwise require us to provide collateral or with a non-lender counterparty that does not have an A- or A3 credit rating or better from

Standard & Poor's or Moody's, respectively. In accordance with our standard practice, our commodity derivatives are subject to counterparty netting under agreements governing such derivatives and therefore the risk of loss due to counterparty nonperformance is somewhat mitigated.

Critical Accounting Policies and Estimates

The process of preparing financial statements in accordance with generally accepted accounting principles requires management to select appropriate accounting policies and to make informed estimates and judgments regarding certain items and transactions. Changes in facts and circumstances or discovery of new information may result in revised estimates and judgments, and actual results may differ from these estimates upon settlement. We consider the following to be our most critical accounting policies and estimates that involve management's judgment and that could result in a material impact on the financial statements due to the levels of subjectivity and judgment.

Fresh-Start Accounting

Upon our emergence from Chapter 11 bankruptcy, we adopted fresh-start accounting which resulted in our becoming a new entity for financial reporting purposes. We were required to adopt fresh-start accounting upon our emergence from Chapter 11 bankruptcy because (i) the holders of existing voting ownership interests of Berry LLC received less than 50% of the voting shares of Berry Corp. the total of all post-petition liabilities and allowed claims, as shown below:

	(in thousands)
Liabilities subject to compromise	$ 1,000,336
Pre-petition debt not classified as subject to compromise	891,259
Post-petition liabilities	245,701
Total post-petition liabilities and allowed claims	2,137,296
Reorganization value of assets immediately prior to implementation of the Plan	(1,706,885)
Excess post-petition liabilities and allowed claims	$ 430,411

Upon adoption of fresh-start accounting, the reorganization value derived from the enterprise value was allocated to our assets and liabilities based on their fair values in accordance with GAAP. The Effective Date fair values of our assets and liabilities differed materially from their recorded values as reflected on the historical balance sheet. The effects of the Plan and the application of fresh-start accounting were reflected in the financial statements as of February 28, 2017, and the related adjustments thereto were recorded on the statement of operations for the two months ended February 28, 2017.

As a result of the adoption of fresh-start accounting and the effects of the implementation of the Plan, our consolidated financial statements subsequent to February 28, 2017 are not comparable to our consolidated financial statements prior to February 28, 2017.

Our consolidated financial statements and related footnotes are presented with a black line division, which delineates the lack of comparability between amounts presented after February 28, 2017, and amounts presented on or prior to February 28, 2017. Our financial results for future periods following the application of fresh-start accounting will be different from historical trends and the differences may be material.

Reorganization Value

Under GAAP, Berry Corp. determined a value to be assigned to the equity of the emerging entity as of the date of adoption of fresh-start accounting. The Plan and disclosure statement approved by the Bankruptcy Court did not include an enterprise value or reorganization value, nor did the Bankruptcy Court approve a value as part

of its confirmation of the Plan. Our reorganization value was derived from an estimate of enterprise value, or the fair value of our long-term debt, stockholders' equity and working capital. Reorganization value approximates the fair value of the entity before considering liabilities and approximates the amount a willing buyer would pay for the assets of the entity immediately after the restructuring. Based on the various estimates and assumptions necessary for fresh-start accounting, we estimated our enterprise value as of the Effective Date to be approximately $1.3 billion. The enterprise value was estimated using a sum of parts approach. The sum of parts approach represents the summation of the indicated fair value of the component assets of the Company. The fair value of our assets was estimated by relying on a combination of the income, market and cost approaches.

The estimated enterprise value, reorganization value and equity value are highly dependent on the achievement of the financial results contemplated in our underlying projections. While we believe the assumptions and estimates used to develop enterprise value and reorganization value are reasonable and appropriate, different assumptions and estimates could materially impact the analysis and resulting conclusions. Additionally, the assumptions used in estimating these values are inherently uncertain and require judgment. The primary assumptions for which there is a reasonable possibility of the occurrence of a variation that would have significantly affected the reorganization value include those regarding pricing, discount rates and the amount and timing of capital expenditures.

Our principal assets are our oil and natural gas properties. The fair values of oil and natural gas properties were estimated using a valuation technique consistent with the income approach, specifically the discounted cash flows method. We also used the market approach to corroborate the valuation results from the income approach. We used a market-based weighted average cost of capital discount rate of 10% for proved and unproved reserves, with further risk adjustment factors applied to the discounted values. The underlying commodity prices embedded in our estimated cash flows are based on the ICE (Brent) and NYMEX Henry Hub forward curve pricing, adjusted for estimated location and quality differentials, as well as other factors that we believe will impact realizable prices. Forward curve pricing was used for years 2017 through 2019 and then was escalated at approximately 2.0%.

The following table reconciles the enterprise value to the estimated reorganization value as of the Effective Date:

	(in thousands)
Enterprise value	$ 1,262,827
Plus: Fair value of non-debt liabilities	298,211
Reorganization value of the Successor's assets	$ 1,561,038

The fair value of non-debt liabilities consists of liabilities assumed by Berry Corp. on the Effective Date and excludes the fair value of long-term debt.

Condensed Consolidated Balance Sheet

The adjustments included in the fresh-start consolidated balance sheet in the accompanying financial statements reflect the effects of the transactions contemplated by the Plan and executed on the Effective Date as well as fair value and other required accounting adjustments resulting from the adoption of fresh-start accounting. The explanatory notes provide additional information with regard to the adjustments recorded, methods used to determine the fair values and significant assumptions.

Oil and Natural Gas Properties

Proved Properties

We account for oil and natural gas properties in accordance with the successful efforts method. In accordance with this method, all acquisition and development costs of proved properties are capitalized and

amortized on a unit-of-production basis over the remaining life of the proved reserves and proved developed reserves, respectively. Costs of retired, sold or abandoned properties that constitute a part of an amortization base are charged or credited, net of proceeds, to accumulated depreciation, depletion and amortization unless doing so significantly affects the unit-of-production amortization rate, in which case a gain or loss is recognized currently. Gains or losses from the disposal of other properties are recognized currently. Expenditures for maintenance and repairs necessary to maintain properties in operating condition are expensed as incurred. Estimated dismantlement and abandonment costs are capitalized, net of salvage, at their estimated net present value and amortized on a unit-of-production basis over the remaining life of the related proved developed reserves. We capitalize interest on borrowed funds related to our share of costs associated with the drilling and completion of new oil and natural gas wells. Interest is capitalized only during the periods in which these assets are brought to their intended use.

Additionally, we perform impairment tests with respect to our proved properties when commodity prices are subject to prolonged declines, reserves estimates change significantly, other significant events occur or management's plans change with respect to these properties in a manner that may impact our ability to realize recorded volumes. Impairment tests incorporate a number of assumptions involving expectations of undiscounted future cash flows, which can change significantly over time. These assumptions include estimates of future commodity prices, which we base on forward price curves and, when applicable, contractual prices, estimates of oil and gas reserves and estimates of future operating and development costs. Apart from the effects of commodity prices, we believe our approach to interpreting technical data regarding proved oil and gas reserves makes it more likely that future proved reserves revisions will be positive rather than negative.

Based on the analysis described above, for the years ended December 31, 2016 and December 31, 2015, we recorded noncash impairment charges of approximately $1.0 billion and $783 million, respectively, associated with proved oil and natural gas properties. The carrying values of the impaired proved properties were reduced to fair value, estimated using inputs characteristic of a Level 3 fair value measurement. The impairment charges are included in "impairment of long-lived assets" on our statements of operations.

Unproved Properties

A portion of the carrying value of our oil and gas properties is attributable to unproved properties. At September 30, 2017, the net capitalized costs attributable to unproved properties were approximately $517 million. The unproved amounts are not subject to depreciation, depletion and amortization until they are classified as proved properties. However, if the exploration and development work were to be unsuccessful, or management decided not to pursue development of these properties as a result of lower commodity prices, higher development and operating costs, contractual conditions or other factors, the capitalized costs of such properties would be expensed. The timing of any write-downs of unproved properties, if warranted, depends upon management's plans, the nature, timing and extent of future exploration and development activities and their results. We believe our current plans and exploration and development efforts will allow us to realize the carrying value of our unproved property balance at September 30, 2017. Based on the analysis described above, for the years ended December 31, 2016 and December 31, 2015, we recorded noncash impairment charges of approximately $13 million and $71 million, respectively, associated with unproved oil and natural gas properties. The carrying values of the impaired unproved properties were reduced to fair value, estimated using inputs characteristic of a Level 3 fair value measurement. The impairment charges are included in "impairment of long-lived assets" on our statements of operations.

Asset Retirement Obligation

We recognize the fair value of asset retirement obligations ("AROs") in the period in which a determination is made that a legal obligation exists to dismantle an asset and remediate the property at the end of the useful life and the cost of the obligation can be reasonably estimated.

The liability amounts are based on future retirement cost estimates and incorporate many assumptions such as time to abandonment, technological changes, future inflation rates and the risk-adjusted discount rate. When the liability is initially recorded, we capitalize the cost by increasing the related property, plant and equipment ("PP&E") balances. If the future cost of the AROs changes, we record an adjustment to both the ARO and PP&E. Over time, the liability is increased and expense is recognized through accretion, and the capitalized cost is depreciated over the useful life of the asset.

At certain of our facilities, we have identified AROs that are related mainly to plant and field decommissioning, including plugging and abandonment of wells. In certain cases, we do not know or cannot estimate when we may settle these obligations and therefore we cannot reasonably estimate the fair value of the liabilities. We will recognize these AROs in the periods in which sufficient information becomes available to reasonably estimate their fair values.

Revenue Recognition

We recognize revenue from oil, natural gas and NGL production when title has passed from us to the purchaser, collection of revenue from the sale is reasonably assured and the sales price is fixed or determinable. We recognize our share of revenues net of any royalties and other third-party share. In addition, we engage in the purchase, gathering and transportation of third-party natural gas and subsequently market such natural gas to independent purchasers under separate arrangements. As a result, we separately report third-party marketing revenues and marketing expenses.

Fair Value Measurements

We have categorized our assets and liabilities that are measured at fair value in a three-level fair value hierarchy, based on the inputs to the valuation techniques: Level 1—using quoted prices in active markets for the assets or liabilities; Level 2—using observable inputs other than quoted prices for the assets or liabilities; and Level 3—using unobservable inputs. Transfers between levels, if any, are recognized at the end of each reporting period. We primarily apply the market approach for recurring fair value measurement, maximize our use of observable inputs and minimize use of unobservable inputs. We generally use an income approach to measure fair value when observable inputs are unavailable. This approach utilizes management's judgments regarding expectations of projected cash flows and discounts those cash flows using a risk-adjusted discount rate.

The most significant items on our balance sheet that would be affected by recurring fair value measurements are derivatives. Commodity derivatives are carried at fair value. In addition to using market data in determining these fair values, we make assumptions about the risks inherent in the inputs to the valuation technique. Our commodity derivatives comprise Over-the-Counter ("OTC") bilateral financial commodity contracts, which are generally valued using industry-standard models that consider various inputs, including publicly available prices and forward curves generated from a compilation of data gathered from third parties. We validate the data provided by third parties by understanding the pricing models used, obtaining market values from other pricing sources, analyzing pricing data in certain situations and confirming that those instruments trade in active markets. Substantially all of these inputs are observable data or are supported by observable prices at which transactions are executed in the marketplace. We classify these measurements as Level 2.

Our PP&E is written down to fair value if we determine that there has been an impairment in its value. The fair value is determined as of the date of the assessment using discounted cash flow models based on management's expectations for the future. Inputs include estimates of future production, prices based on commodity forward price curves as of the date of the estimate, estimated future operating and development costs and a risk-adjusted discount rate.

Other Loss Contingencies

In the normal course of business, we are involved in lawsuits, claims and other environmental and legal proceedings and audits. We accrue reserves for these matters when it is probable that a liability has been incurred and the liability can be reasonably estimated. In addition, we disclose, if material, in aggregate, our exposure to loss in excess of the amount recorded on the balance sheet for these matters if it is reasonably possible that an additional material loss may be incurred. We review our loss contingencies on an ongoing basis.

Loss contingencies are based on judgments made by management with respect to the likely outcome of these matters and are adjusted as appropriate. Management's judgments could change based on new information, changes in, or interpretations of, laws or regulations, changes in management's plans or intentions, opinions regarding the outcome of legal proceedings, or other factors.

Recently Issued Accounting Standards

In May 2017, the Financial Accounting Standards Board ("FASB") issued rules to simplify the guidance on the modification of share-based payment awards. The amendments provide clarity on which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting prospectively. The rules are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, with early adoption permitted. We do not expect the adoption of these rules to have a significant impact on our financial statements.

In January 2017, the FASB issued rules that changed the definition of a business to assist entities with evaluating when a set of transferred assets and activities is a business. The rules are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, with early adoption permitted. We do not expect the adoption of these rules to have a significant impact on our financial statements.

In November 2016, the FASB issued rules intended to address the diversity in practice in classification and presentation of changes in restricted cash on the statement of cash flows. These rules will be applied retrospectively as of the date of adoption and are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years (with early adoption permitted). We are currently evaluating the impact of the adoption of these rules on our financial statements and related disclosures. This is expected to result in the inclusion of restricted cash in the beginning and ending balances of cash on the statements of cash flows and require additional disclosures.

In August 2016, the FASB issued rules that modify how certain cash receipts and cash payments are presented and classified in the statement of cash flows. These rules are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, with earlier adoption permitted. We are currently evaluating the impact of these rules on our financial statements.

In June 2016, the FASB issued rules that change how entities will measure credit losses for certain financial assets and other instruments that are not measured at fair value. These rules are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the impact of these rules on our financial statements.

In February 2016, the FASB issued rules requiring lessees to recognize assets and liabilities on the balance sheet for the rights and obligations created by all leases with terms of more than 12 months and to include qualitative and quantitative disclosures with respect to the amount, timing, and uncertainty of cash flows arising from leases. These rules will be effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, with earlier application permitted. We are currently evaluating the impact of these rules on our financial statements.

In January 2016, the FASB issued rules that modify how entities measure equity investments and present changes in the fair value of financial liabilities. Unless the investments qualify for a practicality exception, the new rules require all equity investments to be measured at fair value with changes in the fair value recognized through net income (other than those accounted for under the equity method of accounting or those that result in consolidation of the investee). Entities will have to record changes in instrument-specific credit risk for financial liabilities measured under the fair value option in other comprehensive income. These new rules become effective for fiscal years beginning after December 15, 2017 with no early adoption permitted. We do not expect the adoption of these rules to have a significant impact on our financial statements.

During 2016, the FASB issued rules clarifying the new revenue recognition standard issued in 2014. The new rules are intended to improve and converge the financial reporting requirements for revenue from contracts with customers. For non-public companies, these rules are effective for fiscal years beginning after December 15, 2018, including interim periods within those years. We are currently evaluating the impact of the adoption of these rules on our financial statements and related disclosures.

Quantitative and Qualitative Disclosures About Market Risk

Our primary market risks are attributable to fluctuations in commodity prices and interest rates, which can affect our business, financial condition, operating results and cash flows. The following should be read in conjunction with the financial statements and related notes included elsewhere in this prospectus.

Commodity Price Risk

Our most significant market risk relates, to prices of oil, natural gas and NGLs. We expect commodity prices to remain volatile and unpredictable. As commodity prices decline or rise significantly, revenues and cash flows are likewise affected to the extent unhedged or, in the case of falling prices, if hedged counterparties default. Prices for these commodities may fluctuate widely in response to relatively minor changes in the supply of and demand for such commodities, market uncertainty and a variety of additional factors that are beyond our control. Future declines in commodity prices may result in noncash write-downs of the carrying amounts of our assets.

We have hedged a large portion of our expected crude oil production and our natural gas requirements to reduce exposure to fluctuations in commodity prices. We use derivatives such as swaps, calls and puts to hedge. Our derivatives are primarily in the form of swap contracts, collars and three-way collars. We have not entered into derivative contracts for speculative trading purposes. We continuously consider the level of our production that it is appropriate to hedge based on a variety of factors, including, among other things, current and future expected commodity prices, our overall risk profile, including leverage, size and scale, as well as any requirements for, or restrictions on, levels of hedging contained in any credit facility or other debt instrument applicable at the time. Currently, our hedging program mainly consists of swaps. We minimize the credit risk in derivative instruments by limiting our exposure to any single counterparty. In addition, our RBL Facility prevents us from entering into hedging arrangements that are secured, except with our lenders and their affiliates that have margin call requirements, that otherwise require us to provide collateral or with a non-lender counterparty that does not have an A- or A3 credit rating or better from Standards & Poor’s or Moody’s, respectively. In accordance with our standard practice, our commodity derivatives are subject to counterparty netting under agreements governing such derivatives which mitigates the counterparty nonperformance risk somewhat.

In May 2016 and July 2016, as a result of the Chapter 11 Proceeding, Berry LLC’s counterparties canceled (prior to the contract settlement dates) all of Berry LLC’s then-outstanding derivative contracts, and Berry LLC received net cash proceeds of approximately $2 million. The net cash proceeds received were used to make permanent repayments of a portion of the borrowings outstanding under the Pre-Emergence Credit Facility.

At December 31, 2016, the fair value of fixed price swaps was a net liability of approximately $17 million. A 10% increase in the index oil and natural gas prices above the December 31, 2016, prices would result in a net liability of approximately $66 million, which represents a decrease in the fair value of approximately $49 million; conversely, a 10% decrease in the index oil and natural gas prices below the December 31, 2016, prices would result in a net asset of approximately $31 million, which represents an increase in the fair value of approximately $48 million.

As of September 30, 2017, we had a net derivative liability of $9.6 million carried at fair value, as determined from prices provided by external sources that are not actively quoted. We determine the fair value of our oil and natural gas derivatives utilizing pricing models that use a variety of techniques, including market quotes and pricing analysis. Inputs to the pricing models include publicly available prices and forward price curves generated from a compilation of data gathered from third parties. We validate the data provided by third parties by understanding the pricing models used, obtaining market values from other pricing sources, analyzing pricing data in certain situations and confirming that those instruments trade in active markets.

Actual gains or losses recognized related to our derivative contracts depend exclusively on the price of the underlying commodities on the specified settlement dates provided by the derivative contracts. Additionally, we cannot be assured that our counterparties will be able to perform under our derivative contracts. If a counterparty fails to perform and the derivative arrangement is terminated, our cash flows could be negatively impacted.

Interest Rate Risk

As of September 30, 2017, we had debt outstanding under the RBL Facility of approximately $379 million, which incurred interest at floating rates. A 1% increase in the respective market rate would result in an estimated $4 million increase in annual interest expense. We used a portion of the proceeds from the 2018 Notes Offering to repay borrowings under our RBL Facility. As of , we had $ million outstanding under our RBL Facility.

Inflation

Inflation in the United States has been relatively low in recent years and did not have a material impact on our results of operations for the periods discussed. Although the impact of inflation has been insignificant in recent years, it is still a factor in the United States economy and we may experience inflationary pressure on the cost of oilfield services and equipment as increasing oil, natural gas and NGL prices increase drilling activity in our areas of operations. An increase in oil, natural gas and NGL prices may cause the costs of materials and services to rise.

Off-Balance Sheet Arrangements

See “—Liquidity and Capital Resources—Lawsuits, Claims, Commitments, Contingencies and Contractual Obligations” for information regarding our off-balance sheet arrangements.

BUSINESS

Our Company

We are a value-driven, independent oil and natural gas company engaged primarily in the development and production of conventional reserves located in the western United States, including California, Utah, Colorado and Texas. We target onshore, low-cost, low-risk, oil-rich basins, such as the San Joaquin basin of California and the Uinta basin of Utah. The Company's assets are characterized by:

- high oil content with production consisting of approximately 82% oil;
- long-lived reserves with low and predictable production decline rates;
- an extensive inventory of low-risk development drilling opportunities with attractive full-cycle economics;
- a stable and predictable development and production cost structure; and
- favorable Brent-influenced crude oil pricing dynamics.

Our asset base is concentrated in the San Joaquin basin in California, which has over 100 years of production history and substantial remaining original oil in place. We focus on conventional, shallow reservoirs, the drilling and completion of which are low-cost in contrast to modern unconventional resource plays. Our decades-old proven completion techniques include steamflood and low-volume fracture stimulation.

We focus on enhancing our production, improving drilling and completion techniques, controlling costs and maximizing the ultimate recovery of hydrocarbons from our assets, with the goal of generating top-tier returns. We seek to fund repeatable organic production and reserves growth through the use of internally generated free cash flow from operations after debt service, or levered free cash flow, while also maintaining ample liquidity and a conservative financial leverage profile.

As of November 30, 2017, we had estimated proved reserves of 141,838 MBoe, of which approximately 57% were proved developed producing reserves and approximately 66% of total proved reserves were located in California. For the three months ended September 30, 2017, pro forma for the Hugoton Disposition and the Hill Acquisition, we had average production of approximately 27.0 MBoe/d, of which approximately 82% was oil.

The New Berry

Berry was founded by the entrepreneur and our namesake C. J. Berry in the late 1800s. After making his fortune working a solo-mining operation during the Alaskan gold rush, Mr. Berry returned to California and continued his success with oil exploration and production. Our predecessor company was formed in 1985 after merging several related entities and ultimately became publicly traded beginning in 1987.

In 2013, the Linn Entities acquired our predecessor company for LinnCo, LLC shares and assumed debt with an aggregate value of $4.6 billion. A severe industry downturn, coupled with high leverage and significant fixed charges, led the Linn Entities and, consequently, our predecessor company to initiate the Chapter 11 Proceeding on May 11, 2016.

On February 28, 2017, Berry LLC emerged from bankruptcy as a stand-alone company and wholly-owned subsidiary of Berry Corp. with new management, a new board of directors and new ownership. Through the Chapter 11 Proceeding, the Company significantly improved its financial position from that of Berry LLC while it was owned by the Linn Entities. These improvements included:

- the elimination of approximately $1.3 billion of debt and more than $76 million of annualized interest expense;
- the termination of, or renegotiation of more favorable terms for, several firm transportation and oil sales contracts; and

- the anticipated reduction in recurring general and administrative costs as a stand-alone company by following a lean operating model.

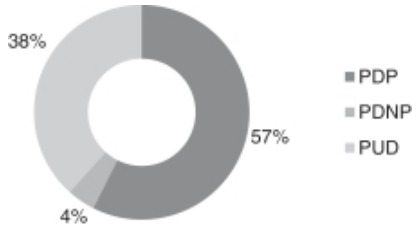
Today, we foster Mr. Berry's entrepreneurial spirit and leadership skills. We encourage our teams to apply his business ethos at every level to move us forward. We strive to have a positive presence in the communities surrounding our operations. Our employees belong to the communities where they work, which we believe aligns our interests with those of the people who live near our operations.

Our Reserves and Assets

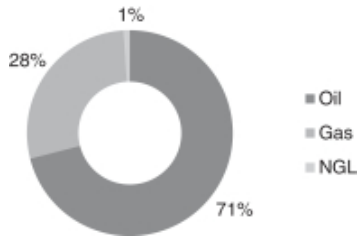
The majority of our reserves are composed of heavy crude oil in shallow, long-lived reservoirs. Approximately two-thirds of our proved reserves and approximately 90% of the PV-10 value of our proved reserves are derived from our assets in California. We also operate in the Uinta basin in Utah, a stacked, multi-bench, light-oil-prone play with significant undeveloped resources, in the Piceance basin in Colorado, a low geologic risk, prolific natural gas play, and in part of an extensive over-pressured natural gas cell on the western flank of the East Texas basin.

The charts below summarize certain characteristics of our proved reserves and PV-10 of proved reserves as of November 30, 2017 (as described in the table below and in "Prospectus Summary—Summary Reserves and Operating Data"):

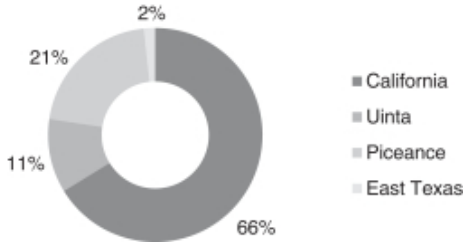
1P Reserves by Category (142 MMBoe)



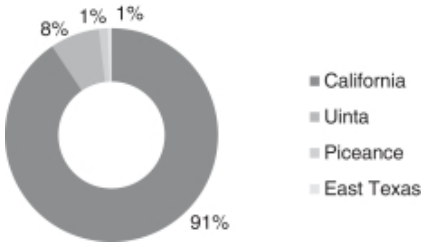
1P Reserves By Commodity (142 MMBoe)



1P Reserves By Area (142 MMBoe)



1P PV-10 by Area ($1.1 billion)



The tables below summarize our proved reserves and PV-10 by category as of November 30, 2017:

	Proved Reserves and PV-10 as of November 30, 2017 (1)							
	Oil (MMBbl)	Natural Gas (Bcf)	NGLs (MMBbl)	Total (MMBoe)	% of Proved	% Proved Developed	Capex(2) ($MM)	PV-10(3) ($MM)
PDP	63	101	1	81	57	93	$ 51	$ 741
PDNP	6	—	—	6	4	7	10	85
PUDs	32	137	—	55	39	—	489	243
Total	101	238	1	142	100	100	$ 550	$ 1,069

(1) Our estimated net reserves were determined using average first-day-of-the-month prices for the prior 12 months in accordance with SEC guidance. The unweighted arithmetic average first-day-of-the-month prices for the prior 12 months were $53.40 per Bbl ICE (Brent) for oil and NGLs and $3.01 per MMBtu NYMEX Henry Hub for natural gas at November 30, 2017. Prices were calculated using oil and natural gas price parameters established by current SEC guidelines and accounting rules, including adjustment by lease for quality, fuel deductions, geographical differentials, marketing bonuses or deductions and other factors affecting the price received at the wellhead. Please see “Prospectus Summary—Summary Reserves and Operating Data.”

(2) Represents undiscounted future capital expenditures as of November 30, 2017.

(3) PV-10 is a non-GAAP financial measure. For a definition of PV-10, please read “Prospectus Summary—Summary Reserves and Operating Data—PV-10.” PV-10 does not give effect to derivatives transactions. With respect to PV-10 calculated as of November 30, 2017, it is not practical to calculate the taxes for such period because GAAP does not provide for disclosure of standardized measure on an interim basis.

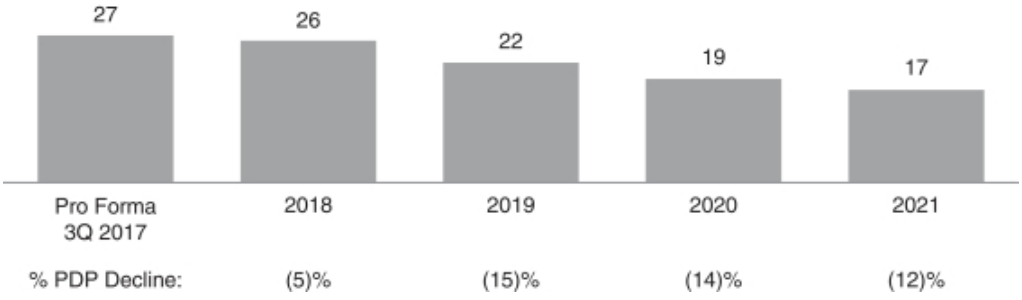
The table below summarizes our average net daily production by basin for the three months ended September 30, 2017, pro forma for the Hugoton Disposition and the Hill Acquisition:

	Pro Forma Average Net Daily Production for the Three Months Ended September 30, 2017	
	(MBoe/d)	Oil (%)
California	19.8	100%
Uinta basin	5.0	48%
Piceance basin	1.1	2%
East Texas basin	1.1	—
Total	27.0	82%

Our Stable Production Base with Low Decline Rates

Our reserves are long-lived and characterized by relatively low production decline rates, which affords capital flexibility through commodity price cycles and allows for efficient hedging of significant quantities of future expected production. The chart below shows our average daily production for the three months ended September 30, 2017, pro forma for the Hill Acquisition and Hugoton Disposition and the estimated production profile of our PDP reserves, derived from our November 30, 2017 reserve report, based on the assumptions and calculations therein.

PDP Production by Year (MBoe/d) and PDP Decline Rates



Our Development Opportunities

We have an extensive inventory of low-risk, high-return development opportunities. Our inventory currently consists of 790 gross (786 net) identified drilling locations associated with proved undeveloped reserves as of November 30, 2017 with average EURs of approximately 46 MBoe in California and 360 MBoe in Colorado and average estimated drilling and completion costs of approximately $450,000 and $1,800,000, respectively. We also have approximately 1,305 gross (1,300 net) additional identified drilling locations with economics that management believes are similar to those of our proved undeveloped locations. We also have identified more than 3,800 gross (3,500 net) additional drilling locations, the economics of which are currently under review. Our identified drilling locations include 161 gross (161 net) steamflood and waterflood injection wells that we expect to add incremental production. For a discussion of how we identify drilling locations, please see "—Our Reserves and Production Information—Determination of Identified Drilling Locations."

We operate over 95% of our productive wells and expect to operate a similar percentage of our identified gross drilling locations. In addition, approximately 76% of our acreage is held by production, including 99% of our acreage in California. Our high degree of operational control, together with the large portion of our acreage that is held by production, gives us flexibility over the execution of our development program, including the timing, amount and allocation of our capital expenditures, technological enhancements and marketing of production.

The following table summarizes certain information concerning our acreage, identified drilling locations and producing wells as of November 30, 2017:

	Acreage		Net Acreage Held By Production(%)	Producing Wells, Gross(1)(2)	Average Working Interest (%)(2)(4)	Net Revenue Interest (%)(2)(5)	Identified Drilling Locations(3)	
	Gross	Net					Gross	Net
California	10,880	7,945	99%	2,522	99%	95%	3,742	3,731
Uinta basin	143,120	98,804	72%	912	95%	79%	1,246	1,084
Piceance basin	10,553	8,008	85%	170	72%	57%	869	663
East Texas basin	5,853	4,533	100%	117	99%	79%	123	122
Total	170,406	119,290	76%	3,721	97%	86%	5,980	5,600

(1) Includes 469 steamflood and waterflood injection wells in California.

(2) Excludes 91 wells in the Piceance basin each with a 5% working interest and eleven wells in the Permian basin all with less than 0.1% working interest.

(3) Our total identified drilling locations include 790 gross (786 net) locations associated with PUDs as of November 30, 2017, including 161 gross (161 net) steamflood and waterflood injection wells. Please see "—Our Reserves and Production Information—Determination of Identified Drilling Locations" for more information regarding the process and criteria through which we identified our drilling locations.

(4) Represents our weighted average working interest in our active wells.
(5) Represents our weighted average net revenue interest for the month of September 2017.

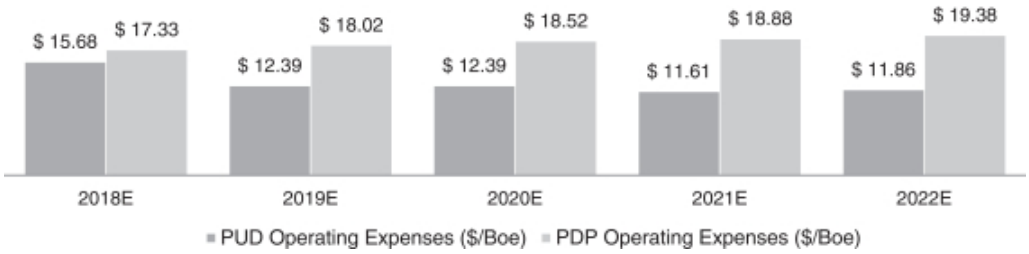
Favorable Cost Structure

Our PDP assets are primarily mature, long-lived, oil-weighted, low-decline producing properties. The nature of our reserves requires relatively less development capital to maintain our base production, offsetting moderately higher per barrel operating expenses inherent in mature oil wells. Operating expenses includes lease operating expenses, electricity generation expenses, transportation expenses, and marketing expenses net of electricity sales and marketing revenues. In addition, our operating cost structure benefits from relatively stable service costs. As a result, our cost structure is stable and, given the nature of our production base, provides us with significant capital flexibility, and a low break-even operating price. Further, lack of need for advanced equipment in our key operations and the stable cost of the service environment drive substantially lower service costs and provide relative insulation from the cost inflation pressures experienced by our peers who operate primarily in unconventional plays.

Our PUD reserves are expected to have lower operating expenses per Boe compared to our PDP reserves due to the higher rates of production associated with new wells as compared to our older producing wells, which have been producing for an average of 11 years. Our lower expected operating expenses on our PUD reserves supports high full-commodity-cycle margins (including cost of development). The result of our PDP and PUD operating expenses mix is a stable total company cost structure over time, which provides significant through-cycle capital flexibility.

The following chart represents our expected operating expenses per Boe for the next five years as provided to our reserve engineers in connection with the preparation of our November 30, 2017 reserve report:

PUD / PDP Operating Expenses ($/Boe)



Our operating expense estimates are based on, among other things, our current cost structure. Investors should also recognize that the reliability of any guidance diminishes the farther in the future that data are forecast so that it is increasingly likely that our actual results will differ materially from our guidance. See “Risk Factors—Risks Related to Our Business and Industry.”

Other Assets

We produce oil from heavy crude reservoirs using steam to heat the oil so it will flow. Because of our dependence on steam, we own and operate five natural gas cogeneration plants. These plants supply approximately 24% of our steam needs and 43% of our field electricity needs in California at a discount to electricity market prices. To further offset our costs, we also sell surplus power produced by three of our cogeneration facilities under long-term contracts with California utility companies.

In addition, we own gathering, treatment and storage facilities in California that currently have excess capacity, reducing our need to spend capital to develop nearby assets and generally allowing us to control certain operating costs. We also own a network of oil and gas gathering lines across our assets outside of California, and our oil and natural gas is transported through such lines and third-party gathering systems and pipelines.

We own a natural gas processing plant with capacity of approximately 30 MMcf/d in the Brundage Canyon area, located in Duchesne County, Utah. This facility takes delivery from gathering and compressions facilities we operate. Approximately 95% of the gas gathered at these facilities is produced from wells that we operate. Current throughput at the processing plant is 18 to 20 MMcf/d and sufficient capacity remains for additional large scale development drilling.

Our California Advantage

California is one of the most productive oil and natural gas regions in the world and was the third largest oil producing state in the United States in 2016 according to the EIA, with significant remaining opportunities for production growth with attractive full-cycle returns. The San Joaquin basin in California has produced for over a century. As a result, the geology and reservoir characteristics are well understood, and new development well results are generally predictable, repeatable and present low-risk development opportunities. The majority of these reserves are composed of heavy crude oil in shallow, long-lived reservoirs with lower drilling risks and costs compared to deeper reservoirs or shale resource plays.

California oil prices are Brent-influenced as California refiners import more than 50% of the state's demand from foreign sources, and there is a closer correlation of price in California to Brent pricing than to WTI. This dynamic has led to periods where the price for the primary benchmark, Midway-Sunset, a 13° API heavy crude, has been equal to or exceeded the price for WTI, a light 40° API crude.

Without the higher costs associated with importing crude via rail or supertanker, we believe our in-state production and low transportation costs, coupled with Brent-influenced pricing, will allow us to continue to realize strong cash margins in California.

Our Capital Budget

Following Berry LLC's emergence from bankruptcy and separation from the Linn Entities, we increased our pace of development and expect to continue to do so in 2018. Our 2018 anticipated capital expenditure budget of approximately $135 to $145 million represents an increase of approximately 84% over our expected 2017 capital expenditures of approximately $74 to $78 million. Based on current commodity prices and a drilling success rate comparable to our historical performance, we believe we will be able to fund our 2018 capital program with our levered free cash flow. We expect to:

- employ:
- two drilling rigs in California continuously through 2018; and
- one additional drilling rig assigned to certain projects in the second half of 2018;
- drill approximately 180 to 190 gross development wells, of which we expect at least 175 will be in California; and
- maintain a fairly constant pace of drilling throughout the year.

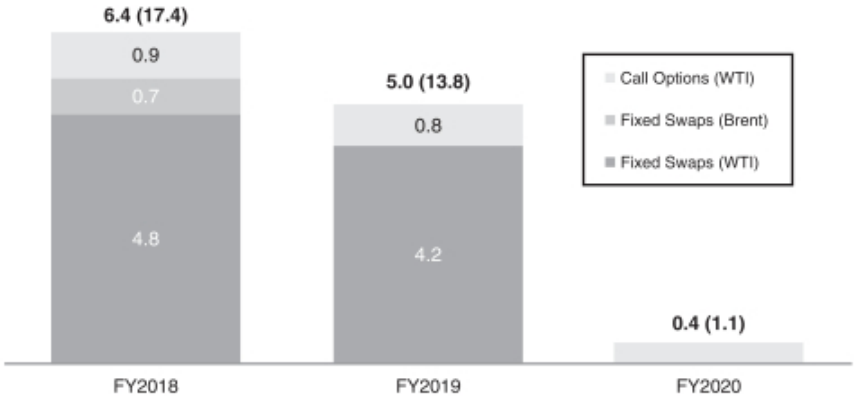
The amount and timing of these capital expenditures is within our control and subject to our management's discretion. We retain the flexibility to defer a portion of these planned capital expenditures depending on a variety of factors, including but not limited to the success of our drilling activities, prevailing and anticipated prices for oil, natural gas and NGLs, the availability of necessary equipment, infrastructure and capital, the receipt and timing of required regulatory permits and approvals, seasonal conditions, drilling and acquisition

costs and the level of participation by other interest owners. Any postponement or elimination of our development drilling program could result in a reduction of proved reserve volumes and materially affect our business, financial condition and results of operations.

Our Commodity Hedging Program

We expect our operations to generate substantial cash flows at current commodity prices. We have protected a portion of our anticipated cash flows through 2020 as part of our crude oil hedging program. Our low-decline production base, coupled with our stable operating cost environment, affords us the ability to hedge a material amount of our future expected production. The chart below summarizes our derivative contracts in place as of January 4, 2018.

Hedge Volumes in MMBbls (MBbl/d)



	Weighted Average Prices		
Fixed Swap - WTI	$ 52.04	$ 52.05	-
Fixed Swap - Brent	60.24	-	-
Call Option - WTI	55.00	57.32	$ 60.00
Total	$ 53.28	$ 52.93	$ 60.00
WTI Strip (30-Nov-2017)	56.17	53.31	51.80

Our Areas of Operation

We have three operating areas in the western United States, including California, the Rockies and East Texas.

California

According to the U.S. Geological Survey as of 2012, the San Joaquin basin in California contained three of the 10 largest oil fields in the United States based on cumulative production and proved reserves. We have operations in two of the largest fields in California—Midway-Sunset and South Belridge. California is one of the most productive oil and natural gas regions in the world and was the third largest oil producing state in the United States in 2016 according to the EIA.

Our California operating area consists of properties located in the Midway-Sunset, South Belridge, McKittrick and Poso Creek fields in the San Joaquin basin in Kern County as well as the Placerita Field in the Ventura basin in Los Angeles County. The producing areas in our Southeast San Joaquin operations include: (i) our Midway-Sunset, Homebase, Formax and Ethel D leases, which are long-life, low-decline, strong-margin oil properties with additional development opportunities; (ii) our Poso Creek property, which is an active mature steamflood asset that we continue to develop across the property; and (iii) our Placerita property, which is a

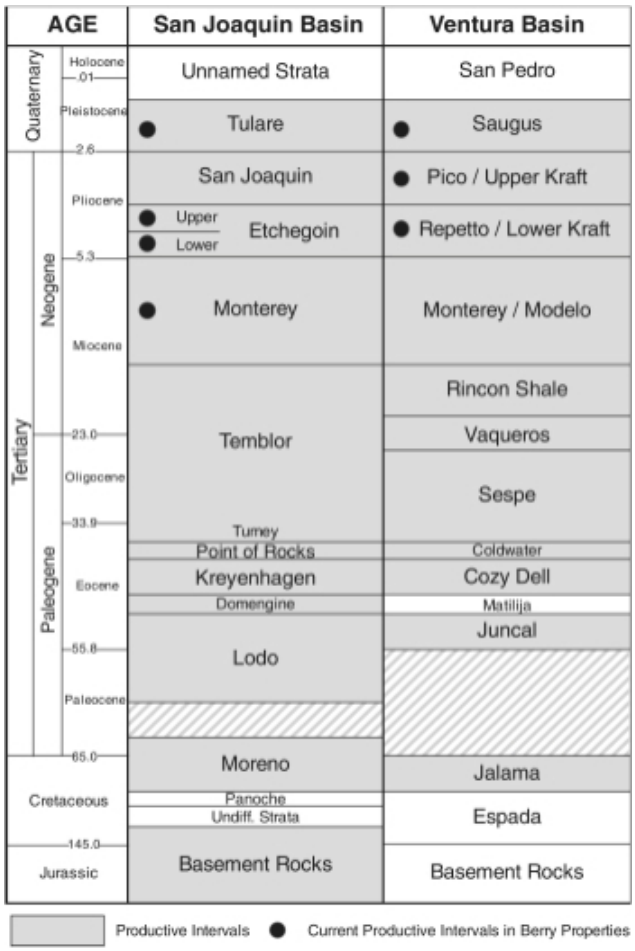
mature steamflood asset with additional recompletion opportunities. The producing areas in our Northwest San Joaquin operations include: (i) our McKittrick Field 21Z property, which is a new steamflood development with potential for infill and extension drilling; (ii) our South Belridge Field Hill property, which is characterized by two known reservoirs with low geological risk containing a significant number of drilling prospects, including downspacing opportunities, as well as additional steamflood opportunities; and of which we purchased the remaining approximately 84% working interest in the third quarter of 2017, as described in more detail below; (iii) our thermal Diatomite Midway-Sunset properties, where we utilize innovative EOR techniques to unlock significant value and maximize recoveries; and (iv) our sandstone Midway-Sunset properties, where we use cyclic and continuous steam injection to develop these know reservoirs. Our California proved reserves represented approximately 66% of our total proved reserves at November 30, 2017 and accounted for 18.8 MBoe/d, or 64%, of our actual average daily production for the three months ended September 30, 2017.

According to the EIA, approximately 75% of California's daily oil production for 2015 was produced in the San Joaquin basin. Commercial petroleum development began in the San Joaquin basin in the late 1860s when asphalt deposits were mined and shallow wells were hand dug and drilled. Rapid discovery of many of the largest oil accumulations followed during the next several decades. We began operations in California in 1909. In the 1960s, introduction of thermal techniques resulted in substantial new additions to reserves in heavy oil fields. The San Joaquin basin contains multiple stacked benches that have allowed continuing discoveries of stratigraphic, structural and non-structural traps. Most oil accumulations discovered in the San Joaquin basin occur in the Eocene age through Pleistocene age sedimentary sections. Organic rich shales from the Monterey, Kreyenhagen and Tumey formations form the source rocks for these accumulations. We believe there are extensive existing field redevelopment opportunities in our areas of operation within the San Joaquin basin. We believe that our California focus and strong balance sheet will allow us to take advantage of these opportunities.

We actively operate and develop 4 fields in the San Joaquin basin consisting of improved oil recovery ("IOR") and EOR project types. We currently hold approximately 7,093 net acres in the San Joaquin basin with a 99.65% average working interest. We have extensive infrastructure and excess available takeaway capacity in place to support additional development in California. This infrastructure includes five cogeneration facilities, 79 conventional steam generators, gathering lines and processing facilities inclusive of oil and gas processing, water recycling and softening facilities among other standard industry equipment. The majority of our oil production is sold through pipeline connections, and we have contracts in place with third-party purchasers of our crude.

Stratigraphic Chart of San Joaquin and Ventura basins

California is home to several basins characterized by extensive production history, long reserve life and multiple producing horizons. As shown in the table below, the basins where we operate contain multiple stacked formations throughout their depths that include both conventional and unconventional opportunities. We currently operate in the formations highlighted below; however, we believe the stacked reservoirs within our asset base provide exposure to additional upside potential in several emerging resource plays.



Rockies

Uinta basin

Formed during the late Cretaceous to Eocene periods, the Uinta basin is a mature multi-bench, oil-prone play located primarily in Duchesne and Uintah Counties of Utah and covers more than 15,621 square miles. Exploration efforts immediately after the Second World War led to the first commercial oil discoveries in the Uinta basin. Oil was discovered in, and produced from fluvial to lacustrine sandstones of the Green River formation in these early discoveries. The application of improved hydraulic fracturing techniques in the mid 2000s greatly increased production from the Uinta basin. As reported by the Utah Department of Natural Resources, total Utah production doubled from 36 MBbl/d in 2003 to 84 MBbl/d in 2016. Approximately 80% of Utah's production in 2016 came from the Uinta basin in Duchesne and Uintah counties.

Surface indications of petroleum in Utah were noted by explorers as early as 1850, but drilling efforts in the late nineteenth and early twentieth centuries failed to find commercial quantities of oil. The first commercial discoveries were made in the late 1940s in the northern Uinta basin. The Uinta productive area expanded significantly over the last few decades, and the introduction of improved hydraulic fracturing methodologies improved per well recoveries since the mid 2000s. We entered the Uinta basin in 2003 with the acquisition of assets in Brundage Canyon and continued to grow our assets to today. We believe continued exploration and development drilling in the Uinta basin, especially in proximity to our assets, coupled with improvements in drilling and completion techniques will continue to provide us with development and growth opportunities going forward.

Our Uinta basin operations in the Brundage Canyon, Ashley Forest and Lake Canyon areas target the Green River and Wasatch formations that produce oil and natural gas at depths ranging from 5,000 feet to 8,000 feet. We have high operational control of approximately 1,200 identified gross vertical drilling locations and additional behind pipe potential, with significant upside for additional vertical and horizontal development and recompletions on existing acreage. We also have extensive infrastructure and available takeaway capacity in place to support additional development along with existing gas transportation contracts. Rejection of an oil sales contract and various transportation contracts in connection with our predecessor company's bankruptcy restructuring resulted in significantly improved sales net of royalties, production and transportation expenses. We have a natural gas gathering systems comprised of approximately 500 miles of pipeline and associated compression and metering facilities that connect to numerous sales outlets in the area. We also own a natural gas processing plant in the Brundage Canyon area with capacity of approximately 30 MMcf/d. Our Uinta basin proved reserves represented approximately 11% of our total proved reserves at November 30, 2017 and accounted for 5.0 MBoe/d, or 17%, of our average daily production for the three months ended September 30, 2017.

Piceance basin

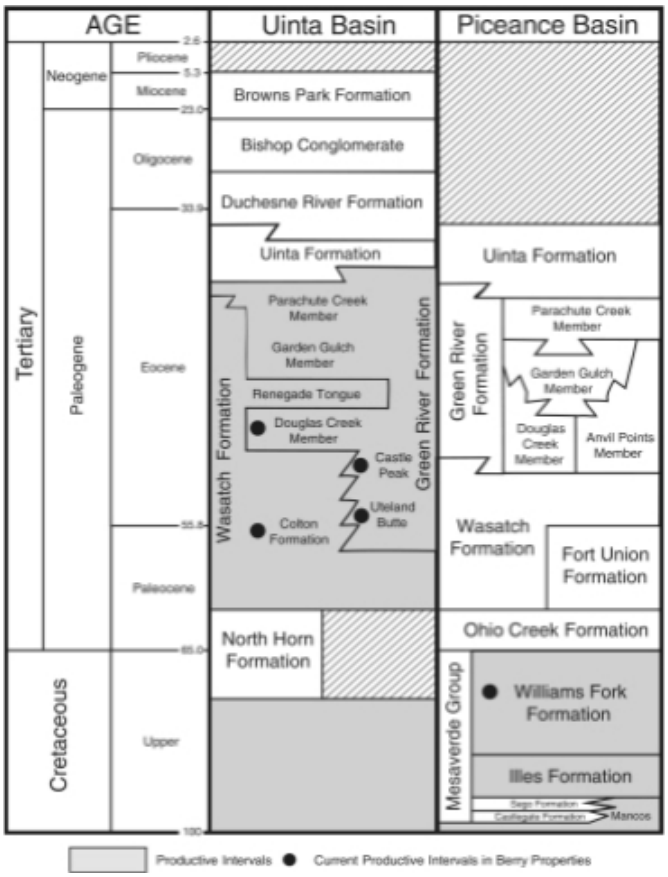
The Piceance basin is located in northwestern Colorado and is a low geologic risk gas play with trillions of cubic feet of natural gas in place. Natural gas generated from coals and carbonaceous shales in the Upper Cretaceous Mesaverde Group migrated into low permeability Mesaverde Group fluvial sandstones resulting in a basin-centered gas accumulation, or what the U.S. Geological Survey terms a "continuous petroleum accumulation." Operators recognized for years that the Mesaverde Group, and the Williams Fork formation in particular, contained significant quantities of gas over a large area, but the low permeability of the reservoir sandstones made it difficult to complete economic wells. Improvements in hydraulic fracture design and completion fluids in the 1990s and 2000s, coupled with an increase in commodity prices, led to the economic development of the gas resources in the Piceance basin.

Our primary operating areas in the Piceance basin are Garden Gulch and North Parachute where we target the Williams Fork formation of the Mesaverde Group and produce at depths ranging from 7,500 feet to 12,500 feet. In addition to more than 800 identified gross drilling locations and a proven slickwater completion method that has resulted in lower costs and increased recoveries, we have infrastructure and available takeaway capacity in place to support additional development along with existing gas transportation contracts. We have plans to begin development drilling at North Parachute in 2018 using our proven slickwater completion method to move reserves from undeveloped to producing. Our Piceance basin proved reserves represented approximately 21% of our total proved reserves at November 30, 2017 and accounted for 1.1 MBoe/d, or 4%, of our average daily production for the three months ended September 30, 2017.

In addition to the 800 identified gross drilling locations in the Williams Fork formation, we believe significant potential exists in the Late Cretaceous Mancos shale that underlies the Mesaverde group. The Mancos shale is over 4,000 feet thick in the Piceance basin and was deposited in the Cretaceous interior seaway. The unit consists of marine shale along with interbedded sandstone, carbonates and organic units. Operators have successfully drilled and completed commercial wells in the Mancos Shale, and in 2016 the U.S. Geological Survey assessed technically recoverable mean resources of 66 trillion cubic feet of natural gas and 45 MMBbls of NGLs from this continuous petroleum accumulation.

Stratigraphic Chart of Uinta and Piceance basins

Because of the stratigraphic similarities and shared geologic history between the Uinta and Piceance basins, the U.S. Geological Survey describes the basins as the Uinta-Piceance Petroleum Province. Five total petroleum systems have been identified spanning in age from the Pennsylvanian to the Eocene periods, including both conventional and unconventional opportunities. We produce from the formations highlighted in the following stratigraphic chart, predominantly oil in the Uinta basin and gas in the Piceance basin. The oil produced from the Green River and Wasatch formation reservoirs in the Uinta basin are derived from lacustrine oil-prone source rocks that were deposited in Lake Uinta during the Eocene period. The extent and richness of these petroleum systems across the Uinta-Piceance Petroleum Province provide us development upside in both stacked pays and potential deeper reservoirs.



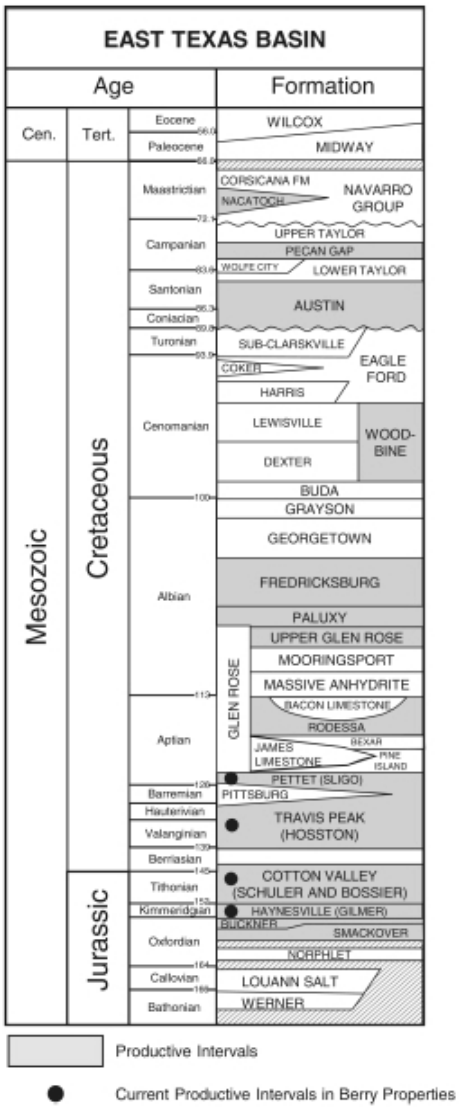
East Texas

The East Texas basin is part of the larger Jurassic to Cretaceous age East Texas—North Louisiana Salt basin that extends across north eastern Texas into northwestern Louisiana. The basin marks the northern limit of Jurassic salt deposition in the larger Gulf of Mexico province. Drilling began in the East Texas basin in the 1860s in Nacogdoches county at Oil Springs. Many discoveries followed, and in 1930, the large East Texas oil field was discovered with estimated ultimate recoverable reserves of 6 billion Bbls. Continued expansion of production into the Bossier, Cotton Valley and Haynesville formation attests to the richness of the East Texas petroleum province.

Our East Texas properties, in Harrison and Limestone Counties, are primarily in the Cotton Valley Lime and Bossier Sand which are tight sands characterized by low porosity and permeability and are part of an extensive over-pressured gas cell on the western flank of the East Texas basin. The Cotton Valley formation, extending across East Texas, North Louisiana and Southern Arkansas, has been under development since the early-to-mid 1900s and is characterized by thick, multi-zone natural gas and oil reservoirs with well-known geologic characteristics and long-lived, predictable production profiles. Our properties primarily produce natural gas at depths ranging from 7,000 feet to 11,500 feet. Our proved reserves for these mature, low-decline producing properties represented approximately 2% of our total proved reserves at November 30, 2017 and accounted for 1.1 MBoe/d, or 4%, of our average daily production for the three months ended September 30, 2017.

Stratigraphic Chart of East Texas basin

The stratigraphy of the East Texas basin is complex and consists of a broad spectrum of stacked clastic and carbonate reservoir intervals. Horizons from which we produce extend from the Haynesville shale up through the Cotton Valley, Bossier, Travis Peak to the Pettet sandstones. We believe the stacked nature of the reservoir intervals in the East Texas basin coupled with improved drilling and completion techniques will provide us with new drilling opportunities and the ability to continue expanding our production.



Our Competitive Strengths

We believe that the following competitive strengths will allow us to successfully execute our business strategy.

- ***Stable, low-decline, predictable and oil-weighted conventional asset base***. We expect our operations to continue to generate sufficient levered free cash flow at current commodity prices to fund maintenance operations and growth. The majority of our interests are in properties that have produced for decades. As a result, the geology and reservoir characteristics are well understood, and new development well results are generally predictable, repeatable and present lower risk than unconventional resource plays. The properties are characterized by long-lived reserves with low production decline rates, stable cost structures and low-risk developmental drilling opportunities with predictable production profiles. They provide a high degree of capital flexibility through commodity cycles.
- ***Substantial inventory of low-cost, low-risk and high-return development opportu***nities. We expect our locations to generate highly attractive rates of return. For example, our inventory includes 790 gross (786 net) identified drilling locations associated with proved undeveloped reserves with projected average single-well rates of return of approximately 40%, based on our assumptions used in preparing our November 30, 2017 reserve report, and approximately 1,305 gross (1,300 net) additional identified drilling locations with economics that management believes are similar to those of our proved undeveloped locations. In addition, we have approximately 3,800 additional identified drilling locations that are currently under review.
- ***Experienced, principled and disciplined management team***. Our management team has significant experience operating and managing oil and gas businesses across numerous domestic and international basins, as well as reservoir and recovery types. We will employ our deep technical, operational and strategic management experience to optimize the value of our assets and the Company. We are focused on the principles of growing cash flows and the value of our production and reserves and take a disciplined approach to development and operating cost management, field development efficiencies and the application of proven technologies and processes new to our properties in order to generate a sustained cost advantage. We believe that our knowledge and operating experience, together with the quality of our assets, offer opportunities to increase value and that our value-driven approach to operational and strategic decisions will help us optimize our returns.
- ***Substantial capital flexibility derived from a high degree of operational control and stable cost environment***. We operate over 95% of our productive wells and expect to operate a similar percentage of our identified gross drilling locations. In addition, approximately 76% of our acreage is held by production, including 99% of our acreage in California. Our high degree of operational control over our properties, together with the large portion of our acreage that is held by production, gives us flexibility over the execution of our development program, including the timing, amount and allocation of our capital expenditures, technological enhancements and marketing of production. Our lack of need for advanced equipment in our key operations and the stable cost of the service environment drive substantially lower service costs and provide relative insulation from the cost inflation pressures experienced by our peers who operate primarily in unconventional plays. The more stable costs associated with our operations provide us significant visibility and understanding of our expected cash flows, which allow us to manage our business through commodity price cycles.
- ***Conservative balance sheet leverage with ample liquidity and minimal contractual obligations***. After giving effect to this offering and repayment of borrowings under the RBL Facility (as defined herein), we expect to have approximately $ million of available liquidity, defined as cash on hand plus availability under our RBL Facility. In addition, we have minimal long-term service or fixed-volume delivery commitments. This liquidity and flexibility permit us to capitalize on opportunities that may arise to grow and increase stockholder value.

- ***Brent-influenced pricing advantage***. California oil prices are Brent-influenced as California refiners import more than 50% of the state's demand from foreign sources. There is a closer correlation of prices in California to Brent pricing than to WTI. Without the higher costs associated with importing crude via rail or supertanker, we believe our in-state production and low-cost crude transportation options, coupled with Brent-influenced pricing, will allow us to continue to realize strong cash margins in California.

Our Business Strategy

The principal elements of our business strategy include the following:

- ***Grow production and reserves in a capital efficient manner using internally generated cash flow***. We intend to allocate capital in a disciplined manner to projects that will produce predictable and attractive rates of return. We plan to direct capital to our oil-rich and low-risk development opportunities while focusing on driving cost efficiencies across our asset base with the primary objective of internally funding our capital budget and growth plan. We may also use our capital flexibility to pursue value-enhancing, bolt-on acquisitions to opportunistically improve our positions in existing basins.
- ***Maximize ultimate hydrocarbon recovery from our assets by optimizing drilling, completion and production techniques and investigating deeper reservoirs and areas beyond our known productive areas***. While we intend to utilize proven techniques and technologies, we will also continuously seek efficiencies in our drilling, completion and production techniques in order to optimize ultimate resource recoveries, rates of return and cash flows. We will explore innovative EOR techniques to unlock additional value and have allocated capital towards next generation technologies. For example, in our South Belridge Hill non-thermal and Midway-Sunset thermal diatomite properties, we employ both fracture stimulation and advanced thermal techniques, and in our Piceance properties, we use advanced proppant-less slick water fracture stimulation techniques. In addition, we intend to expand our geologic investigation of deeper reservoirs on our acreage and adjacent acreage below existing producing reservoirs and to expand strategic development beyond our known productive areas.
- ***Proactively and collaboratively engage in matters related to regulation, safety, environmental and community relations***. We are committed to proactive engagement with regulatory agencies in order to realize the full potential of our resources in a timely fashion that safeguards people and the environment and complies with law and regulations. We expect our work with regulators and legislators throughout the rule making process to minimize any adverse impact that new legislation and regulations might have on our ability to maximize our resources. We have found constructive dialogue with regulatory agencies can help avert compliance issues.
- ***Maintain balance sheet strength and flexibility through commodity price cycles***. We intend to fund our capital program primarily through the use of internally generated levered free cash flow from operations. Over time, we expect to de-lever through organic growth and with excess levered free cash flow. Our objective is to achieve and maintain a long-term, through-cycle leverage ratio between 1.5x and 2.0x.
- ***Enhance future cash flow stability and visibility through an active and continuous hedging program***. Our hedging strategy is designed to insulate our capital program from price fluctuations by securing price realizations and cash flows, including fixed-price gas purchase agreements and other hedging contracts. We have protected a portion of our anticipated production through 2020 as part of our crude oil hedging program. As of January 4, 2018, we have hedged approximately 6.4 MMBbls for 2018, 5.0 MMBbls for 2019 and 0.4 MMBbls for 2020 of crude oil production. We will review our hedging program continuously as conditions change.

Operational Overview

We generally seek to be the operator of our properties so that we can develop and implement drilling programs and optimization projects that not only replace production, but add value through reserve and

production growth and future operational synergies. Many of our properties have long histories of successful development. Additional opportunities exist to continue using successful development techniques while also embracing new incremental recovery technologies. The long-lived nature of our properties allows us to continually seek operational efficiencies to enhance value creation through all operational phases.

Thermal Recovery

Most of our assets in California consist of heavy crude oil, which requires heat, supplied in the form of steam, injected into the oil producing formations to reduce the oil viscosity, thereby allowing the oil to flow to the wellbore for production. We utilize steamflooding on these assets and have not yet begun to use additional tertiary methods to further produce oil from our reserves. We have cyclic and continuous steam injection projects in the San Joaquin and Ventura basins, primarily in Kern County and in fields such as Midway-Sunset, Poso Creek, McKittrick, South Belridge and Placerita, with demonstrated internal and third party results across thousands of wells. Historically, we start production from heavy oil reservoirs with cyclic injection and then expand operations to include continuous injection in adjacent wells. We intend to continue employing both recovery techniques as long as a favorable oil to gas price spread exists. Full development of these projects typically takes multiple years and involves upfront infrastructure construction for steam and water processing facilities and follow on development drilling. These steam injection projects are generally shallower in depth (300 to 1,200 ft) than our other programs and the wells are relatively inexpensive to drill at approximately $375,000 per well. Therefore, we can normally implement a drilling program quickly with attractive rates of return. For the three months ended September 30, 2017, our total gross average production from thermal recovery projects was 17.4 MBoe/d. We monitor our steam injection closely on each individual project and increase or decrease steam to maximize the value return of each project. As of September 30, 2017, we were injecting over 150,000 barrels of steam daily.

Cogeneration Steam Supply and Conventional Steam Generation

We believe one of the primary methods to keep steam costs low is through the ownership and efficient operation of cogeneration facilities. We own five cogeneration facilities: (i) a 38 MW facility (“Cogen 38”), an 18 MW facility (“Cogen 18”), and two separate 5 MW facilities (“Pan Fee and 21Z CoGens”), each located in the Midway-Sunset Field and (ii) a 42 MW facility (“Cogen 42”) located in the Placerita Field. Cogeneration, also called combined heat and power, extracts energy from the exhaust of a turbine to produce steam and increases the efficiency of the combined process. For more information please see “—Electricity.”

We own 79 fully permitted conventional steam generators. The number of generators operated at any point in time is dependent on the steam volume required to achieve our targeted injection rate and the price of natural gas compared to our oil production rate and the realized price of oil sold. Ownership of these varied steam generation facilities allows for maximum operational control over the steam supply, location and, to some extent, the aggregated cost of steam generation. Our steam supply and flexibility are crucial for the maximization of thermally enhanced heavy oil production in California, cost control and ultimate oil recovery. The natural gas we purchase to generate steam and electricity is primarily based on California price indexes. We pay distribution and transportation charges for the delivery of natural gas to our various locations where we use the natural gas for steam generation purposes. In some cases, this transportation cost is embedded in the price of the natural gas we purchase.

Low Volume Fracture Stimulation

Fracture stimulation is an important and common practice we use to stimulate production of oil and gas. The process involves injection of water, sand and trace chemicals under pressure into underground oil and gas bearing rock formations to create or enlarge fractures and stimulate the flow of oil and gas into the oil and gas production well. Our California fracture stimulation projects use significantly lower fluid volumes than is typical in other areas. For example, we expect to use approximately 144,000 gallons of water per well for our Hill fracture

stimulations compared to a median of nearly 4 million gallons for horizontal wells fractured in the United States in 2015. Similarly, we expect to use only about 324,000 pounds of sand per Hill well compared to a nationwide average of over 4 million pounds of sand per well in 2015. We use this method of reservoir stimulation in the San Joaquin basin to stimulate our non-thermal Diatomite reservoir at the Hill property. In the first nine months of 2017, we did not spend capital on this method of reservoir stimulation. We plan to apply this technique in 2018 and beyond on our inventory of Hill non-thermal Diatomite development wells. We use more traditional fracture stimulation to complete our wells in the Piceance basin. In this area, we use "proppant-less stimulation" to stimulate the reservoir with water and no proppant. In the first nine months of 2017, we did not spend capital on this method of reservoir stimulation. We plan to apply this technique, which has increased both initial rates and EURs versus previous stimulation methods, in 2018 and beyond on our inventory of Piceance development wells.

Our Midstream Infrastructure

We own a network of oil and gas gathering lines across our assets, and our oil and natural gas is transported through such lines and third-party gathering systems and pipelines. When moving through the third-party systems, we incur processing, gathering and transportation expenses to move our oil and natural gas from the wellhead to a purchaser-specified delivery point. These expenses vary based on the volume, distance shipped and the fee charged by the third-party processor or transporter.

We also own a natural gas processing plant with capacity of approximately 30 MMcf/d in the Brundage Canyon area, located in Duchesne County, Utah. This facility takes delivery from gathering and compressions facilities we operate. Approximately 95% of the gas gathered at these facilities is produced from wells that we operate. The system gathers and dehydrates the product, removes, collects and sells condensate and compresses the gas to sales pressures in six central compressors. The gas then goes to our plant which provides refrigerated liquid recovery to a negative 20 degrees Fahrenheit. The NGLs recovered are trucked to third party facilities for fractionation and delivery to market. Current throughput at the processing plant is 18 to 20 MMcf/d and sufficient capacity remains for additional large scale development drilling.

Marketing Arrangements

We market crude oil, natural gas, NGLs and electricity.

Crude Oil. Approximately 75% of our California crude oil production is connected to California markets via crude oil pipelines. We generally do not transport, refine or process the crude oil we produce and do not have any long-term crude oil transportation arrangements in place. California oil prices are Brent-influenced as California refiners import more than 50% of the state's demand from foreign sources. This dynamic has led to periods where the price for the primary benchmark, Midway-Sunset, a 13° API heavy crude, has been equal to or exceeded the price for WTI, a light 40° API crude. Without the higher costs associated with importing crude via rail or supertanker, we believe our in-state production and low transportation costs, coupled with Brent-influenced pricing, will allow us to continue to realize strong cash margins in California. Our oil production is primarily sold under market-sensitive contracts that are typically priced at a differential to purchaser-posted prices for the producing area. As of December 31, 2016, all of our oil production was sold under short-term contracts. The waxy quality of oil in Utah has historically limited sales primarily to the Salt Lake City market, which is largely dependent on the supply and demand of oil in the area. Export options to other markets via rail are available and have been used in the past, but are comparatively expensive.

Natural Gas. Our natural gas production is primarily sold under market-sensitive contracts that are typically priced at a differential to the published natural gas index price for the producing area. Our natural gas production is sold to purchasers under seasonal spot price or index contracts. Although exact percentages vary daily, as of December 31, 2016, all of our natural gas and NGLs production was sold under short-term contracts at market-sensitive or spot prices. In certain circumstances, we have entered into natural gas processing contracts whereby the residual natural gas is sold under short-term contracts but the related NGLs are sold under long-term contracts. In all such cases, the residual natural gas and NGLs are sold at market-sensitive index prices.

NGLs. We do not have long-term or long-haul interstate NGLs transportation agreements. We sell substantially all of our NGLs to third parties using market based pricing. Our NGL sales are generally pursuant to processing contracts or short-term sales contracts. The relatively small volumes of condensate produced in Texas and Colorado are sold under market-based short-term contracts.

Electricity. While a portion of the electric output of our cogeneration facilities is utilized within our production facilities to reduce field operating costs, a significant share is sold into the California market. Excess electric output and associated electric products are marketed to third parties and offered daily into the California electric market to be dispatched based on pricing and grid requirements.

Electricity

Generation. Our cogeneration facilities generate both electricity and steam for our properties and electricity for off lease sales. The total average electrical generation capacity of three of our five cogeneration facilities, which are centrally located on certain of our oil producing properties, was approximately 90 MW for the year ended December 31, 2016. Our other two, and newest, cogeneration facilities came on line in the third quarter of 2017. The steam generated by each facility is capable of being delivered to numerous wells that require steam for our EOR processes. The main purpose of the cogeneration facilities is to reduce the steam costs in our heavy oil operations and to secure operating control of our steam generation. Expenses of operating the cogeneration plants are analyzed regularly to determine whether they are advantageous versus conventional steam generators.

Cogeneration costs are allocated between electricity generation and oil and natural gas operations based on the conversion efficiency (of fuel to electricity and steam) of each cogeneration facility and certain direct costs to produce steam. Cogeneration costs allocated to electricity will vary based on, among other factors, the thermal efficiency of our cogeneration plants, the price of natural gas used for fuel in generating electricity and steam, and the terms of our power contracts.

Sales Contracts. We sell electricity produced by three of our cogeneration facilities under long-term contracts approved by the California Public Utilities Commission (the “CPUC”) to two California investor owned utilities, Southern California Edison Company (“Edison”) and Pacific Gas and Electric Company (“PG&E”). The following summarizes the contracts for the three facilities.

- *Cogen 18 facility*: Our Public Utilities Regulatory Policy Act of 1978, as amended (“PURPA”), PPA with PG&E became effective on October 1, 2012, and has a term of seven years. Because the rated capacity of our Cogen 18 facility is less than 20 MW, it continues to be eligible for PPAs pursuant to PURPA. Under such PPA, we are paid the CPUC-determined short run avoidance cost energy price and a combination of firm and “as-available” capacity payments.
- *Cogen 42 facility*: Pursuant to a competitive solicitation, our request for offers (“RFO”) PPA with Edison became effective on July 1, 2014, and has a term of seven years. Under such PPA, we are paid a negotiated energy and capacity price stipulated in the contract.
- *Cogen 38 facility*: Our legacy PPA expired in March 2012, at which time a transition PPA with PG&E became effective. We participated in a competitive solicitation, which resulted in the execution of a RFO PPA with Edison that became effective on July 1, 2015, and has a term of seven years. Under such PPA, we are paid a negotiated energy and capacity price stipulated in the contract.

Electricity and steam produced from our Pan Fee and 21Z CoGens facilities, are used solely for field operations. For more information, see “Risk Factors—Risks Related to Our Business and Industry—We are dependent on our cogeneration facilities and deteriorations in the electricity market and regulatory changes in California may materially and adversely affect our financial condition, results of operations and cash flows.”

The following table sets forth information regarding our cogeneration facilities and contracts for the year ended December 31, 2016:

Facility	Type of Contract	Purchaser	Contract Expiration	Approximate MW Available for Sale	Approximate MW Consumed in Operations	Approximate Barrels of Steam Per Day in 2016
Cogen 18	PURPA	PG&E	Sept. 2019	10	6	6,665
Cogen 42	RFO	Edison	June 2021	34	3	12,607
Cogen 38	RFO	Edison	June 2022	35	1	14,255

Principal Customers

For the year ended December 31, 2016, Tesoro Corporation and Phillips 66 accounted for approximately 34% and 28%, respectively, of our oil, natural gas and NGL sales. For the year ended December 31, 2015, Tesoro Corporation, Phillips 66 and Exxon Mobil Corporation accounted for approximately 24%, 23% and 20%, respectively, of our oil, natural gas and NGL sales. For the nine months ended September 30, 2017 and for the years ended December 31, 2016 and 2015, 100% of electricity sales were attributable to PG&E and Edison.

At December 31, 2016, trade accounts receivable from two customers represented approximately 29% and 21% of our receivables. At December 31, 2015, trade accounts receivable from three customers represented approximately 24%, 22% and 11% of our receivables.

If we were to lose any one of our major oil and natural gas purchasers, the loss could temporarily cease or delay production and sale of our oil and natural gas in that particular purchaser's service area and it could have a detrimental effect on the prices and volumes of oil, natural gas and NGLs that we are able to sell.

Our Reserves and Production Information

Reserve Data

The following table summarizes our estimated proved reserves and related PV-10 at November 30, 2017. The reserve estimates presented in the table below are based on reports prepared by DeGolyer and MacNaughton. The reserve estimates were prepared in accordance with current SEC rules and regulations regarding oil, natural gas and NGL reserve reporting. Reserves are stated net of applicable royalties.

	At November 30, 2017(1)				
	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total
Proved developed reserves:					
Oil (MMBbl)	62	7	—	—	69
Natural Gas (Bcf)	—	47	43	12	101
NGLs (MMBbl)	—	1	—	—	1
Total (MMBoe)(2)(3)	62	16	7	2	87
Proved undeveloped reserves:					
Oil (MMBbl)	32	—	—	—	32
Natural Gas (Bcf)	—	—	137	—	137
NGLs (MMBbl)	—	—	—	—	—
Total (MMBoe)(3)	32	—	23	—	55
Total proved reserves:					
Oil (MMBbl)	93	7	—	—	101
Natural Gas (Bcf)	—	47	179	12	238
NGLs (MMBbl)	—	1	—	—	1
Total (MMBoe)(3)	93	16	30	2	142
PV-10 ($MM)	952	82	27	8	1,069

(1) Our estimated net reserves were determined using average first-day-of-the-month prices for the prior 12 months in accordance with SEC guidance. The unweighted arithmetic average first-day-of-the-month prices for the prior 12 months were $53.40 per Bbl ICE (Brent) for oil and NGLs and $3.01 per MMBtu NYMEX Henry Hub for natural gas at November 30, 2017. Prices were calculated using oil and natural gas price parameters established by current guidelines of the SEC and accounting rules including adjustments by lease for quality, fuel deductions, geographical differentials, marketing bonuses or deductions and other factors affecting the price received at the wellhead. For more information regarding commodity price risk, please see "Risk Factors—Risks Related to Our Business and Industry—Oil, natural gas and NGL prices are volatile."

(2) Approximately 9% of proved developed oil reserves, 1% of proved developed NGLs reserves, 0% of proved developed natural gas reserves and 7% of total proved developed reserves are non-producing.

(3) Natural gas volumes have been converted to Boe based on energy content of six Mcf of gas to one Bbl of oil. Barrels of oil equivalence does not necessarily result in price equivalence. The price of natural gas on a barrel of oil equivalent basis is currently substantially lower than the corresponding price for oil and has been similarly lower for a number of years. For example, in the nine months ended September 30, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $52.59 per Bbl and $3.17 per Mcf, respectively, resulting in an oil-to-gas ratio of over 16 to 1.

PV-10

PV-10 is a non-GAAP financial measure and represents the present value of estimated future cash inflows from proved oil and gas reserves, less future development and production costs, discounted at 10% per annum to reflect the timing of future cash flows. Calculation of PV-10 does not give effect to derivatives transactions. Management believes that PV-10 provides useful information to investors because it is widely used by professional analysts and sophisticated investors in evaluating oil and natural gas companies. Because there are many unique factors that can impact an individual company when estimating the amount of future income taxes to be paid, management believes the use of a pre-tax measure is valuable for evaluating the Company. PV-10 should not be considered as an alternative to the standardized measure of discounted future net cash flows as computed under GAAP.

With respect to PV-10 calculated as of November 30, 2017, it is not practical to calculate the taxes for such period because GAAP does not provide for disclosure of standardized measure on an interim basis.

Proved Undeveloped Reserves Additions

From January 1, 2017 to November 30, 2017, we had proved undeveloped reserve additions of 42 MMBoe from extensions and discoveries. As of December 31, 2016, we had minimal proved undeveloped reserves due to the Chapter 11 Proceeding. Additions of proved undeveloped reserves reflect an increase from that minimal amount. In the third quarter of 2017, we completed the Hill Acquisition and the Hugoton Disposition. The Hill Acquisition accounted for an increase of 13 MMBoe of proved undeveloped reserves. The Hugoton Disposition did not affect our proved undeveloped reserves. The total changes to our proved undeveloped reserves from December 31, 2016 to November 30, 2017 were as follows:

	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Hugoton basin	Total
Beginning balance at December 31, 2016 (MMBoe)(1)	—	—	—	—	—	—
Production (MMBoe)(1)	—	—	—	—	—	—
Revisions or reclassifications of previous estimates (MMBoe)(1)	—	—	—	—	—	—
Improved Recovery (MMBoe)(1)	—	—	—	—	—	—
Extensions and Discoveries (MMBoe)(1)	18	—	23	—	—	42
Purchases (MMBoe)(1)	13	—	—	—	—	13
Sales (MMBoe)(1)	—	—	—	—	—	—
Ending balance as of November 30, 2017 (MMBoe)(1)	32	—	23	—	—	55

(1) Natural gas volumes have been converted to Boe based on energy content of six Mcf of gas to one Bbl of oil. Barrels of oil equivalence does not necessarily result in price equivalence. The price of natural gas on a barrel of oil equivalent basis is currently substantially lower than the corresponding price for oil and has been similarly lower for a number of years. For example, in the nine months ended September 30, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $52.59 per Bbl and $3.17 per Mcf, respectively, resulting in an oil-to-gas ratio of over 16 to 1.

Extensions and Discoveries

Through 2017 we added 42 MMBoe of proved reserves from extensions and discoveries split between California and Colorado, supported by our recent development activity in both regions. This is up from the 0 MMBoe represented in the December 31, 2016 reserves report which was due to LINN Energy's decision not to commit capital to the development of the fields at that time.

Reserves Evaluation and Review Process

Independent engineers, DeGolyer and MacNaughton, prepared our reserve estimates reported herein. The process performed by the independent engineers to prepare reserve amounts included their estimation of reserve quantities, future production rates, future net revenue and the present value of such future net revenue, based in part on data provided by us. When preparing the reserve estimates, the independent engineering firm did not independently verify the accuracy and completeness of the information and data furnished by us with respect to ownership interests, production, well test data, historical costs of operation and development, product prices, or any agreements relating to current and future operations of the properties and sales of production. However, if in the course of their work, something came to their attention that brought into question the validity or sufficiency of any such information or data, they did not rely on such information or data until they had satisfactorily resolved their related questions. The estimates of reserves conform to SEC guidelines, including the criteria of "reasonable certainty," as it pertains to expectations about the recoverability of reserves in future years. Under SEC rules, reasonable certainty can be established using techniques that have been proven effective by actual production from projects in the same reservoir or an analogous reservoir or by other evidence using reliable technology that establishes reasonable certainty. Reliable technology is a grouping of one or more technologies (including computational methods) that have been field tested and have been demonstrated to provide reasonably certain results with consistency and repeatability in the formation being evaluated or in an analogous formation. To establish reasonable certainty with respect to our estimated proved reserves, the technologies and economic data used in the estimation of our proved reserves have been demonstrated to yield results with consistency and repeatability, and include production and well test data, downhole completion information, geologic data, electrical logs, radioactivity logs, core analyses, available seismic data and historical well cost, operating expense and realized commodity revenue data.

The independent engineering firm also prepared estimates with respect to reserve categorization, using the definitions of proved reserves set forth in Regulation S-X Rule 4-10(a) and subsequent SEC staff interpretations and guidance.

Our internal control over the preparation of reserve estimates is a process designed to provide reasonable assurance regarding the reliability of our reserve estimates in accordance with SEC regulations. The preparation of reserve estimates was overseen by Kurt Neher, who has a Masters in Geology from the University of South Carolina and a Bachelors in Geology from Carleton College, and more than 31 years of oil and natural gas industry experience. The reserve estimates were reviewed and approved by our senior engineering staff and management, with final approval expected by our Board of Directors. We have not filed reserve estimates with any federal authority or agency.

Reserve engineering is inherently a subjective process of estimating underground accumulations of oil, natural gas and NGLs that cannot be measured exactly. For more information, see "Risk Factors—Risks Related to Our Business and Industry—Estimates of proved reserves and related future net cash flows are not precise. The actual quantities of our proved reserves and future net cash flows may prove to be lower than estimated."

Determination of Identified Drilling Locations

Proven Drilling Locations

Based on our reserves report as of November 30, 2017, we have 790 gross (786 net) drilling locations attributable to our proved undeveloped reserves. We use production data and experience gained from our development programs to identify and prioritize this proven drilling inventory. These drilling locations are included in our inventory only after they have been evaluated technically and are deemed to have a high likelihood of being drilled within a five year time frame. As a result of technical evaluation of geologic and engineering data, it can be estimated with reasonable certainty that reserves from these locations will be commercially recoverable in accordance with SEC guidelines. Management considers the availability of local infrastructure, drilling support assets, state and local regulations and other factors it deems relevant in determining such locations.

Unproven Drilling Locations

We have also identified a multi-year inventory of 5,190 gross (4,814 net) drilling locations that are not associated with proved undeveloped reserves but are specifically identified on a field by field basis considering the applicable geologic, engineering and production data. We analyze past field development practices and identify analogous drilling opportunities taking into consideration historical production performance, estimated drilling and completion costs, spacing and other performance factors. These drilling locations primarily include (i) infill drilling locations, (ii) additional locations due to field extensions or (iii) potential IOR and EOR project expansions, some of which are currently in the pilot phase across our properties, but have yet to be moved to the proven category. We believe the assumptions and data used to estimate these drilling locations are consistent with established industry practices based on the type of recovery process we are using.

We plan to analyze our acreage for exploration drilling opportunities at appropriate levels. We expect to use internally generated information and proprietary models consisting of data from analog plays, 3-D seismic data, open hole and mud log data, cores and reservoir engineering data to help define the extent of the targeted intervals and the potential ability of such intervals to produce commercial quantities of hydrocarbons.

Well Spacing Determination

Our well spacing determinations in the above categories of identified well locations are based on actual operational spacing within our existing producing fields, which we believe are reasonable for the particular recovery process employed (i.e., primary, waterflood and EOR). Spacing intervals can vary between various reservoirs and recovery techniques. Our development spacing can be less than one acre for a thermal steamflood development in California and greater than ten acres for a primary gas expansion development in our Piceance asset in Colorado.

Drilling Schedule

Our identified drilling locations have been scheduled as part of our current multi-year drilling schedule or are expected to be scheduled in the future. However, we may not drill our identified sites at the times scheduled or at all. We view the risk profile for our prospective drilling locations and any exploration drilling locations we may identify in the future as being higher than for our other proved drilling locations.

Our ability to profitably drill and develop our identified drilling locations depends on a number of variables, including crude oil and natural gas prices, the availability of capital, costs, drilling results, regulatory approvals, available transportation capacity and other factors. If future drilling results in these projects do not establish sufficient reserves to achieve an economic return, we may curtail drilling or development of these projects. For a discussion of the risks associated with our drilling program, see "Risk Factors—Risks Related to Our Business and Industry—We may not drill our identified sites at the times we scheduled or at all."

The table below sets forth our total identified drilling locations as of November 30, 2017.

	Proven Drilling Locations (Gross)		Total Identified Drilling Locations (Gross)	
	Oil and Natural Gas Wells	Injection Wells	Oil and Natural Gas Wells	Injection Wells
San Joaquin and Ventura basins	549	161	2,842	900
Uinta basin	—	—	1,246	—
Piceance basin	80	—	869	—
East Texas basin	—	—	123	—
Total Identified Drilling Locations	629	161	5,080	900

Production and Operating Data

The following table sets forth information regarding production, realized and benchmark prices, and production costs (i) on a historical basis for the years ended December 31, 2016 and 2015, for the two months ended February 28, 2017 and the seven months ended September 30, 2017 and (ii) on a pro forma basis for the nine months ended September 30, 2017.

The pro forma information has been prepared to give pro forma effect to (i) the Plan and related transactions and fresh-start accounting and (ii) the Hugoton Disposition, as if each had been completed as of January 1, 2016, respectively. The summary unaudited pro forma financial information does not give effect to the Hill Acquisition because such transaction is not deemed significant under Rule 3-05 of the SEC's Regulation S-X, so it is not required to be presented herein. For more information, see "Prospectus Summary—Summary Historical and Pro Forma Financial Information."

For additional information regarding pricing dynamics, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Business Environment and Market Conditions.”

	Pro Forma(5)	Berry Corp.	Berry LLC			
	Nine Months Ended September 30, 2017	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016	Year Ended December 31, 2016	Year Ended December 31, 2015
Production Data:						
Oil (MBbl/d)	19.9	20.0	19.5	23.9	23.1	30.0
Natural gas (MMcf/d)	31.1	57.2	71.7	78.6	78.1	92.7
NGLs (MBbl/d)	0.6	2.6	5.2	3.7	3.6	2.9
Average daily combined production (MBoe/d)(1)	25.7	32.2	36.6	40.7	39.7	48.4
Total combined production (MBoe)(1)	7,018	6,880	2,162	11,160	14,533	17,666
Average realized prices(2):						
Oil (per Bbl)	$ 45.31	$ 44.86	$ 46.94	$ 34.00	$ 35.83	$ 42.27
Natural gas (per Mcf)	$ 2.85	$ 2.69	$ 3.42	$ 2.15	$ 2.31	$ 2.66
NGLs (per Bbl)	$ 17.67	$ 21.67	$ 18.20	$ 16.08	$ 17.67	$ 20.27
Average Benchmark prices:						
ICE (Brent) oil ($/Bbl)	$ 52.59	$ 51.70	$ 55.72	$ 42.97	$ 45.00	$ 53.64
NYMEX Henry Hub natural gas ($/Mcf)	$ 3.17	$ 3.03	$ 3.66	$ 2.29	$ 2.46	$ 2.66
Average costs per Boe(3):						
Lease operating expenses	$ 18.65	$ 15.81	$ 13.06	$ 12.42	$ 12.73	$ 13.88
Electricity generation expenses	$ 1.91	$ 1.48	$ 1.48	$ 1.09	$ 1.18	$ 1.02
Electricity sales	$ (2.73)	$ (2.26)	$ (1.69)	$ (1.57)	$ (1.60)	$ (1.39)
Transportation expenses	$ 2.11	$ 2.71	$ 2.86	$ 2.91	$ 2.86	$ 2.95
Marketing expenses	$ 0.33	$ 0.24	$ 0.30	$ 0.19	$ 0.21	$ 0.22
Marketing revenues	$ (0.36)	$ (0.28)	$ (0.29)	$ (0.25)	$ (0.25)	$ (0.32)
Taxes, other than income taxes	$ 3.63	$ 3.65	$ 2.41	$ 1.85	$ 1.73	$ 4.00
General and Administrative Expenses(4)	$ 6.62	$ 5.78	$ 3.68	$ 5.85	$ 5.45	$ 4.87
Depreciation, depletion and amortization	$ 7.94	$ 7.03	$ 13.02	$ 12.54	$ 12.26	$ 14.23

(1) Natural gas volumes have been converted to Boe based on energy content of six Mcf of gas to one Bbl of oil. Barrels of oil equivalence does not necessarily result in price equivalence. The price of natural gas on a barrel of oil equivalent basis is currently substantially lower than the corresponding price for oil and has been similarly lower for a number of years. For example, in the nine months ended September 30, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $52.59 per Bbl and $3.17 per Mcf, respectively, resulting in an oil-to-gas ratio of over 16 to 1.

(2) Does not include the effect of gains (losses) on derivatives.

(3) We report electricity and marketing sales separately in our financial statements as revenues in accordance with GAAP. However, these revenues are viewed and used internally in calculating operating expenses which is used to track and analyze the economics of development projects and the efficiency of our hydrocarbon recovery. We purchase third party gas to generate electricity through our cogeneration facilities to be used in our field operations activities and view the added benefit of any excess electricity sold

externally as a cost reduction/benefit to generating steam for our thermal recovery operations. Marketing expenses mainly relate to natural gas purchased from third parties that moves through our gathering and processing systems and then is sold to third parties.

(4) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of $28.3 million for the seven and nine months ended September 30, 2017.

(5) Does not include the effects of the Hill Acquisition. We estimate that the production associated with the Hill asset for the nine months ended September 30, 2017 was approximately 3,000 Boe/d.

The following tables sets forth information regarding production volumes for fields with greater than 15% of our total proved reserves for each of the periods indicated:

	Year Ended December 31,	
	2016	2015
Hugoton basin Field		
Total production:		
Oil (MBbls)	—	—
Natural gas (Bcf)	14.6	16.8
NGL (MBbls)	1,020	814
Total (MBoe)(1)	3,457	3,619

(1) Natural gas volumes have been converted to Boe based on energy content of six Mcf of gas to one Bbl of oil. Barrels of oil equivalence does not necessarily result in price equivalence. The price of natural gas on a barrel of oil equivalent basis is currently substantially lower than the corresponding price for oil and has been similarly lower for a number of years. For example, in the nine months ended September 30, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $52.59 per Bbl and $3.17 per Mcf, respectively, resulting in an oil-to-gas ratio of over 16 to 1.

	Year Ended December 31,	
	2016	2015
SJV South Midway Field		
Total production:		
Oil (MBbls)	2,477	2,598
Natural gas (Bcf)	—	—
NGL (MBbls)	—	—
Total (MBoe)	2,477	2,598

	Year Ended December 31,	
	2016	2015
SJV Diatomite Field		
Total production:		
Oil (MBbls)	*	2,939
Natural gas (Bcf)	*	—
NGL (MBbls)	*	—
Total (MBoe)	*	2,939

* Represented less than 15% of our total proved reserves for the year indicated.

Productive Wells

As of November 30, 2017, we had a total of 3,721 gross (3,601 net) producing wells (including 469 gross and net steamflood and waterflood injection wells), approximately 90% of which were oil wells. Our average working interests in our producing wells is approximately 95%. Many of our oil wells produce associated gas and some of our gas wells also produce condensate and NGLs.

The following table sets forth our productive oil and natural gas wells (both producing and capable of producing) as of November 30, 2017.

	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total
Oil					
Gross(1)	2,522	912	—	—	3,434
Net(2)	2,497	867	—	—	3,364
Gas					
Gross(1)	—	—	170	117	287
Net(2)	—	—	122	116	238

(1) The total number of wells in which interests are owned. Includes 469 steamflood and waterflood injection wells in California. Excludes eleven wells in the Permian basin all with less than 0.1% working interest and 91 wells in the Piceance basin each with a 5% working interest.
(2) The sum of fractional interests.

Acreage

The following table sets forth certain information regarding the total developed and undeveloped acreage in which we owned an interest as of November 30, 2017. Approximately 76% of our leased acreage was held by production at November 30, 2017.

	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total
			(in thousands)		
Developed(1)					
Gross(2)	10,800	93,763	9,260	5,853	119,676
Net(3)	7,865	70,990	6,780	4,533	90,168
Undeveloped(4)					
Gross(2)	80	49,357	1,293	—	50,730
Net(3)	80	27,815	1,228	—	29,123

(1) Acres spaced or assigned to productive wells.
(2) Total acres in which we hold an interest.
(3) Sum of fractional interests owned based on working interests or interests under arrangements similar to production sharing contracts.
(4) Acres on which wells have not been drilled or completed to a point that would permit the production of commercial quantities of oil and natural gas, regardless of whether the acreage contains proved reserves.

Participation in Wells Being Drilled

The following table sets forth our participation in wells being drilled as of November 30, 2017.

	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total
Development wells					
Gross	2	—	—	—	2
Net	2	—	—	—	2
Exploratory wells					
Gross	—	—	—	—	—
Net	—	—	—	—	—

At November 30, 2017, we were participating in 14 steamflood and waterflood pressure maintenance projects. Twelve steamflood projects and one waterflood project was located in the San Joaquin basin, and one waterflood project was located in the Uinta basin.

Drilling Activity

The following table shows the net development wells we drilled during the periods indicated. We did not drill any exploratory wells during the periods presented. The information should not be considered indicative of future performance, nor should it be assumed that there is necessarily any correlation among the number of productive wells drilled, quantities of reserves found or economic value. Productive wells are those that produce, or are capable of producing, commercial quantities of hydrocarbons, regardless of whether they produce a reasonable rate of return.

	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total
Eleven months ended November 30, 2017					
Oil	111(1)	—	—	—	111(1)
Natural Gas	—	—	—	—	—
Dry	—	—	—	—	—
2016					
Oil	11(1)	—	—	—	11
Natural Gas	—	—	—	—	—
Dry	—	—	—	—	—
2015					
Oil	120(1)	1	—	—	121(1)
Natural Gas	—	—	11	—	11
Dry	—	—	—	—	—

(1) Includes injector wells.

Delivery Commitments

We have made commitments to certain refineries and other buyers to deliver oil, natural gas and NGLs. For oil, these commitments are limited to lease production and do not have set volumes. As of November 30, 2017, 17,359 MMBtu/d of gas were contracted to be delivered under gas contracts with fixed volumes including 5,000 MMBtu/d in Texas and 12,359 MMBtu/d in Utah. None of these commitments in any given year is expected to have a material impact on our financial statements.

Title to Properties

As is customary in the oil and natural gas industry, we initially conduct only a cursory review of the title to our properties at the time of acquisition. Prior to the commencement of drilling operations on those properties, we conduct a more thorough title examination and perform curative work with respect to significant defects. We do not commence drilling operations on a property until we have cured known title defects on such property that are material to the project. Individual properties may be subject to burdens that we believe do not materially interfere with the use or affect the value of the properties. Burdens on properties may include customary royalty interests, liens incident to operating agreements and for current taxes, obligations or duties under applicable laws, development obligations, or net profits interests.

Competition

The oil and natural gas industry is highly competitive. We encounter strong competition from other independent operators and master limited partnerships in acquiring properties, contracting for drilling and other related services, and securing trained personnel. We also are affected by competition for drilling rigs and the availability of related equipment. In the past, the oil and natural gas industry has experienced shortages of drilling rigs, equipment, pipe and personnel, which has delayed development drilling and has caused significant price increases. We are unable to predict when, or if, such shortages may occur or how they would affect our drilling program. Unlike a typical resource play, the lower-cost, commoditized nature of our equipment and service providers allows for relative insulation from the cost inflation pressures experienced by producers in unconventional plays. For more information regarding competition and the related risks in the oil and natural gas industry, please see “Risk Factors—Risks Related to Our Business and Industry—Competition in the oil and natural gas industry is intense, making it more difficult for us to acquire properties, market oil or natural gas and secure trained personnel.”

Operating Hazards and Insurance

The oil and natural gas industry involves a variety of operating hazards and risks that could result in substantial losses from, among other things, injury or loss of life, severe damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, cleanup responsibilities, regulatory investigation and penalties, and suspension of operations. We may be liable for environmental damages caused by previous owners of property we purchase and lease. As a result, we may incur substantial liabilities to third parties or governmental entities, the payment of which could reduce or eliminate funds otherwise available, or result in the loss of properties. In addition, we may participate in wells on a nonoperated basis and therefore may be limited in our ability to control the risks associated with the operation of such wells.

In accordance with customary industry practices, we maintain insurance against some, but not all, potential losses. We cannot provide assurance that any insurance we obtain will be adequate to cover our losses or liabilities. We have elected to self-insure for certain items for which we have determined that the cost of available insurance is excessive relative to the risks presented. In addition, pollution and environmental risks generally are not fully insurable. The occurrence of an event not fully covered by insurance could have a material adverse effect on our financial position, results of operations and cash flows. For more information about potential risks that could affect us, see “Risk Factors—Risks Related to Our Business and Industry—We may incur substantial losses and be subject to substantial liability claims as a result of catastrophic events. We may not be insured for, or our insurance may be inadequate to protect us against, these risks.”

Seasonality

Seasonal weather conditions and lease stipulations can limit our drilling and producing activities. These seasonal conditions can occasionally pose challenges in our Utah and Colorado operations for meeting well-drilling objectives and increase competition for equipment, supplies and personnel, which could lead to shortages

and increase costs or delay operations. For example, our operations may be impacted by ice and snow in the winter and by electrical storms and high temperatures in the spring and summer, as well as by wild fires.

Regulation of Health, Safety and Environmental Matters

Our operations are subject to stringent federal, state and local laws and regulations governing the discharge of materials into the environment or otherwise relating to environmental protection. Our operations are subject to the same environmental laws and regulations as other companies in the oil and natural gas industry. These laws and regulations may:

- require the acquisition of various permits before drilling commences;
- require notice to stakeholders of proposed and ongoing operations;
- require the installation of expensive pollution control equipment;
- restrict the types, quantities and concentration of various substances that can be released into the environment in connection with drilling and production activities;
- limit or prohibit drilling activities on lands located within wilderness, wetlands, areas inhabited by endangered species and other protected areas, or otherwise restrict or prohibit activities that could impact the environment, including water resources;
- require remedial measures to prevent pollution from former operations, such as pit closure, reclamation and plugging and abandonment of wells;
- impose substantial liabilities for pollution resulting from operations or for preexisting environmental conditions on our properties; and
- require preparation of a Resource Management Plan, an Environmental Assessment, and/or an Environmental Impact Statement with respect to operations affecting federal lands or leases.

For example, in 2014, the Division of Oil, Gas, and Geothermal Resources of the California Department of Conservation (“DOGGR”) began a detailed review of the multi-decade practice of permitting underground injection wells under the Safe Drinking Water Act (“SDWA”). The purpose of the review is to ensure that wastewater is not injected into formations that could be a future source of drinking water supply. Pending the outcome of the review, DOGGR has restricted injection in certain formations or from wells in designated fields, though the agency will approve exemptions from the restrictions upon request. Currently we have exemption requests pending for three fields: Poso Creek, McKittrick and Midway Sunset. We anticipate that these three requests will be approved in 2018, with the first approval expected to come for our Poso Creek operations. To date, the restrictions have not affected our oil and natural gas production in any material way. However, DOGGR or other government authorities could ultimately restrict injection of produced water or other fluids in additional formations or certain wells or take other administrative actions.

These laws, rules and regulations may also restrict the production rate of oil, natural gas and NGL below the rate that would otherwise be possible. The regulatory burden on the industry increases the cost of doing business and consequently may have an adverse effect upon capital expenditures, earnings or competitive position. Violations and liabilities with respect to these laws and regulations could result in significant administrative, civil, or criminal penalties, remedial clean-ups, natural resource damages, permit modifications or revocations, operational interruptions or shutdowns and other liabilities. The costs of remedying such conditions may be significant, and remediation obligations could adversely affect our financial condition, results of operations and prospects. Additionally, Congress and federal and state agencies frequently revise environmental laws and regulations, and any changes that result in more stringent and costly waste handling, disposal and cleanup requirements for the oil and natural gas industry could have a significant impact on operating costs.

The environmental laws and regulations applicable to us and our operations include, among others, the following U.S. federal laws and regulations:

- CAA, which governs air emissions;
- Clean Water Act ("CWA"), which governs discharges to and excavations within the waters of the United States;
- Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), which imposes liability where hazardous substances have been released into the environment (commonly known as "Superfund");
- The Oil Pollution Act of 1990, which amends and augments the CWA and imposes certain duties and liabilities related to the prevention of oil spills and damages resulting from such spills;
- Energy Independence and Security Act of 2007, which prescribes new fuel economy standards and other energy saving measures;
- National Environmental Policy Act ("NEPA"), which requires careful evaluation of the environmental impacts of oil and natural gas production activities on federal lands;
- Resource Conservation and Recovery Act ("RCRA"), which governs the management of solid waste;
- SDWA, which governs the underground injection and disposal of wastewater; and
- U.S. Department of Interior regulations, which regulate oil and gas production activities on federal lands and impose liability for pollution cleanup and damages.

Various states regulate the drilling for, and the production, gathering and sale of, oil, natural gas and NGL, including imposing production taxes and requirements for obtaining drilling permits. States also regulate the method of developing new fields, the spacing and operation of wells and the prevention of waste of resources. States may regulate rates of production and may establish maximum daily production allowables from wells based on market demand or resource conservation, or both. States do not regulate wellhead prices or engage in other similar direct economic regulations, but there can be no assurance that they will not do so in the future. The effect of these regulations may be to limit the amounts of oil, natural gas and NGL that may be produced from our wells and to limit the number of wells or locations we can drill. The oil and natural gas industry is also subject to compliance with various other federal, state and local regulations and laws. Some of those laws relate to occupational safety, resource conservation and equal opportunity employment.

We believe that compliance with currently applicable environmental laws and regulations is unlikely to have a material adverse impact on our business, financial condition, results of operations or cash flows. Future regulatory issues that could impact us include new rules or legislation relating to the items discussed below.

Climate Change

In December 2009, the EPA determined that emissions of carbon dioxide, methane and other GHG present an endangerment to public health and the environment because emissions of such gases are, according to the EPA, contributing to warming of the earth's atmosphere and other climatic changes. Based on these findings, the EPA began adopting and implementing regulations to restrict emissions of GHGs under existing provisions of the CAA. The EPA has adopted three sets of rules regulating GHG emissions under the CAA, one that requires a reduction in emissions of GHGs from motor vehicles, a second that regulates emissions of GHGs from certain large stationary sources under the CAA's Prevention of Significant Deterioration and Title V permitting programs, and a third that regulates GHG emissions from fossil fuel-burning power plants.

In June 2016, the EPA finalized rules that establish new controls for emissions of methane (a GHG considered more potent than carbon dioxide) from new, modified or reconstructed sources in the oil and natural

gas source category, including production, processing, transmission and storage activities. The EPA has also adopted rules requiring the monitoring and reporting of GHG emissions from specified sources in the United States, including, among other things, certain onshore oil and natural gas production facilities, on an annual basis. In addition, in 2015, the United States participated in the United Nations Conference on Climate Change, which led to the creation of the Paris Agreement. The Paris Agreement requires countries to review and "represent a progression" in their intended nationally determined contributions, which set GHG emission reduction goals, every five years beginning in 2020. However, in 2017 the Trump administration indicated that the United States would be withdrawing from participation in the Paris Agreement. Legislation has from time to time been introduced in Congress that would establish measures restricting GHG emissions in the United States. At the state level, almost one half of the states, including California, have begun taking actions to control and/or reduce emissions of GHGs, including by means of cap and trade programs. These programs typically require major sources of GHG emissions to acquire and surrender emission allowances in return for emitting those GHGs. See "—California GHG Regulations" below for additional details on current GHG regulations in the state of California. Although it is not possible at this time to predict how legislation or new regulations that may be adopted to address GHG emissions would impact our business, any such future laws and regulations imposing reporting obligations on, or limiting emissions of GHGs from our equipment and operations could require us to incur costs to reduce emissions of GHGs associated with our operations. Substantial limitations on GHG emissions could also adversely affect demand for the oil and natural gas we produce.

Some scientists have concluded that increasing concentrations of GHGs in the Earth's atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, floods and other climatic events. For more information, please see "Risk Factors—Risks Related to Our Business and Industry—Concerns about climate change and other air quality issues may affect our operations or results;" and "—Our business is highly regulated and governmental authorities can delay or deny permits and approvals or change legal requirements governing our operations, including well stimulation, enhanced production techniques and fluid injection or disposal, that could increase costs, restrict operations and delay our implementation of, or cause us to change, our business strategy."

California GHG Regulations

In October 2006, California adopted the Global Warming Solutions Act of 2006, which established a statewide "cap and trade" program with an enforceable compliance obligation beginning with 2013 GHG emissions and ending in 2020. In July 2017, California extended its cap and trade program through 2030. The program is designed to reduce the state's GHG emissions to 1990 levels by 2020 and to reduce the state's GHG emissions to at least 40% below 1990 levels by 2030. The California cap and trade program sets maximum limits or caps on total emissions of GHGs from industrial sectors of which we are a part, as our California operations emit GHGs. The cap will decline annually through 2030. We are required to remit compliance instruments for each metric ton of GHG that we emit, in the form of allowances (each the equivalent of one ton of carbon dioxide) or qualifying offset credits. The availability of allowances will decline over time in accordance with the declining cap, and the cost to acquire such allowances may increase over time. Under the cap and trade program, we will be granted a certain number of California carbon allowances ("CCA") and we will need to purchase CCAs and/or offset credits to cover the remaining amount of our emissions. Compliance with the California cap and trade program laws and regulations could significantly increase our capital, compliance and operating costs and could also reduce demand for the oil and natural gas we produce. The cost to acquire compliance instruments will depend on the market price for such instruments at the time they are purchased, the distribution of cost-free allowances among various industry sectors by the California Air Resources Board and our ability to limit our GHG emissions and implement cost-containment measures.

Hydraulic Fracturing

Hydraulic fracturing is an important and common practice that is used to stimulate production of hydrocarbons from tight formations. The process involves the injection of water, sand and chemicals under

pressure into formations to fracture the surrounding rock and stimulate production. Hydraulic fracturing operations have historically been overseen by state regulators as part of their oil and natural gas regulatory programs. However, in May 2014, the EPA announced an advance notice of proposed rulemaking under the Toxic Substances Control Act, relating to chemical substances and mixtures used in oil and natural gas exploration or production. Further, in March 2015, the Department of the Interior's Bureau of Land Management ("BLM") adopted a rule requiring, among other things, public disclosure to the BLM of chemicals used in hydraulic fracturing operations after fracturing operations have been completed and would strengthen standards for well-bore integrity and management of fluids that return to the surface during and after fracturing operations on federal and Indian lands. Implementation of the BLM rule has been suspended pending the outcome of several lawsuits filed to challenge the rule, and the Trump Administration recently indicated that it intends to withdraw the rule. In addition, legislation has been introduced before Congress that would provide for federal regulation of hydraulic fracturing and would require disclosure of the chemicals used in the fracturing process. If enacted, these or similar bills could result in additional permitting requirements for hydraulic fracturing operations as well as various restrictions on those operations. These permitting requirements and restrictions could result in delays in operations at well sites and also increased costs to make wells productive.

There may be other attempts to further regulate hydraulic fracturing under the SDWA, the Toxic Substances Control Act and/or other regulatory mechanisms. In December 2016, the EPA released its final report on a wide ranging study on the effects of hydraulic fracturing on water resources. While no widespread impacts from hydraulic fracturing were found, the EPA identified a number of activities and factors that may have increased risk for future impacts. Moreover, some states and local governments have adopted, and other states and local governments are considering adopting, regulations that could restrict hydraulic fracturing in certain circumstances. For example, many states in which we operate have adopted disclosure regulations requiring varying degrees of disclosure of the constituents in hydraulic fracturing fluids. In addition, the regulation or prohibition of hydraulic fracturing is the subject of significant political activity in a number of jurisdictions, some of which have resulted in tighter regulation (including, most recently, new regulations in California requiring a permit to conduct well stimulation), bans on fracturing in certain locations, and/or recognition of local government authority to implement such restrictions. Many of these restrictions are being challenged in court cases. If new laws or regulations that significantly restrict hydraulic fracturing are adopted, such laws could make it more difficult or costly for us to perform fracturing to stimulate production from tight formations. In addition, any such added regulation could lead to operational delays, increased operating costs and additional regulatory burdens, and reduced production of oil and natural gas, which could adversely affect our revenues, results of operations and net cash provided by operating activities.

We use water in our hydraulic fracturing operations. Our inability to locate sufficient amounts of water, or dispose of or recycle water used in our drilling and production operations, could adversely impact our operations. Moreover, new environmental initiatives and regulations could include restrictions on our ability to conduct certain operations such as hydraulic fracturing or disposal of waste, including but not limited to produced water, drilling fluids and other wastes associated with the development or production of natural gas.

The SDWA and the Underground Injection Control ("UIC") Program

The SDWA and the UIC program promulgated under the SDWA and relevant state laws regulate the drilling and operation of disposal wells that manage produced water (brine wastewater containing salt and other contaminants produced by natural gas and oil wells). The EPA directly administers the UIC program in some states, and in others administration is delegated to the state. Permits must be obtained before developing and using deep injection wells for the disposal of produced water, and well casing integrity monitoring must be conducted periodically to ensure the well casing is not leaking produced water to groundwater. Contamination of groundwater by natural gas and oil drilling, production and related operations may result in fines, penalties, remediation costs and natural resource damages, among other sanctions and liabilities under the SDWA and other federal and state laws. In addition, third-party claims may be filed by landowners and other parties claiming damages for groundwater contamination, alternative water supplies, property impacts and bodily injury.

Solid and Hazardous Waste

Although oil and natural gas wastes generally are exempt from regulation as hazardous wastes under the federal RCRA and some comparable state statutes, it is possible some wastes we generate presently or in the future may be subject to regulation under the RCRA or other similar statutes. The EPA and various state agencies have limited the disposal options for certain wastes, including hazardous wastes and there is no guarantee that the EPA or the states will not adopt more stringent requirements in the future. For example, in May 2016, several environmental groups filed a lawsuit in the U.S. District Court for the District of Columbia that seeks to compel the EPA to review and, if necessary, revise its regulations regarding existing exemptions for exploration and production related wastes. Furthermore, certain wastes generated by our oil and natural gas operations that are currently exempt from designation as hazardous wastes may in the future be designated as hazardous wastes under the RCRA or other similar statutes, and therefore be subject to more rigorous and costly operating and disposal requirements.

In addition, the federal CERCLA can impose joint and several liability without regard to fault or legality of conduct on classes of persons who are statutorily responsible for the release of a hazardous substance into the environment. These persons can include the current and former owners or operators of a site where a release occurs, and anyone who disposes or arranges for the disposal of a hazardous substance released at a site. Under CERCLA, such persons may be subject to strict, joint and several liability for the entire cost of cleaning up hazardous substances that have been released into the environment and for other costs, including response costs, alternative water supplies, damage to natural resources and for the costs of certain health studies. Moreover, it is not uncommon for neighboring landowners and other third parties to file claims for personal injury and property damage allegedly caused by hazardous substances released into the environment. Each state also has environmental cleanup laws analogous to CERCLA. Petroleum hydrocarbons or wastes may have been previously handled, disposed of, or released on or under the properties owned or leased by us or on or under other locations where such wastes have been taken for disposal. These properties and any materials disposed or released on them may subject us to liability under CERCLA, RCRA and analogous state laws. Under such laws, we could be required to remove or remediate previously disposed wastes or property contamination, to contribute to remediation costs, or to perform remedial activities to prevent future environmental harm.

Endangered Species Act

The federal Endangered Species Act (“ESA”) restricts activities that may affect endangered and threatened species or their habitats. Some of our operations may be located in areas that are designated as habitats for endangered or threatened species. In February 2016, the U.S. Fish and Wildlife Service published a final policy which alters how it identifies critical habitat for endangered and threatened species. A critical habitat designation could result in further material restrictions to federal and private land use and could delay or prohibit land access or development. Moreover, the U.S. Fish and Wildlife Service continues its effort to make listing decisions and critical habitat designations where necessary for over 250 species, as required under a 2011 settlement approved by the U.S. District Court for the District of Columbia, and many hundreds of additional anticipated listing decisions have already been identified beyond those recognized in the 2011 settlement. The ESA has not previously had a significant impact on our operations. However, the designation of previously unprotected species as being endangered or threatened could cause us to incur additional costs or become subject to operating restrictions in areas where the species are known to exist.

Air Emissions

In 2012, the EPA issued final rules that subject oil and natural gas production, processing, transmission and storage operations to regulation under the New Source Performance Standards (“NSPS”) and National Emission Standards for Hazardous Air Pollutants programs. The EPA rules include NSPS standards for completions of hydraulically fractured natural gas wells. These standards require operators to capture the gas from natural gas well completions and make it available for use or sale, which can be done through the use of “green

completions." The standards are applicable to newly fractured wells and existing wells that are refractured, and they also establish specific requirements for emissions from compressors, controllers, dehydrators, storage tanks, gas processing plants and certain other equipment. The EPA amended these rules in December 2014 to specify requirements for different flowback stages and to expand the rules to cover more storage vessels, among other changes.

Our costs for environmental compliance may increase in the future based on new environmental regulations. In November 2016, the BLM issued final rules to reduce methane emissions from venting, flaring, and leaks during oil and gas operations on public lands. Implementation of the BLM rules has been temporarily suspended by the Trump Administration, but several states are pursuing similar measures to regulate emissions of methane from new and existing sources within the oil and natural gas source category. In addition, in June 2016, the EPA finalized rules regarding criteria for aggregating multiple small surface sites into a single source for air-quality permitting purposes applicable to the oil and gas industry. This rule could cause small facilities, on an aggregate basis, to be deemed a major source, thereby triggering more stringent air permitting requirements. The EPA has also adopted new rules under the CAA that require the reduction of volatile organic compound emissions from certain fractured and refractured natural gas wells for which well completion operations. These regulations also establish specific new requirements regarding emissions from production-related wet seal and reciprocating compressors, and from pneumatic controllers and storage vessels. Compliance with these and other air pollution control and permitting requirements has the potential to delay the development of oil and natural gas projects and increase our costs of development, which costs could be significant.

NEPA

Oil and natural gas exploration and production activities on federal lands are subject to NEPA. NEPA requires federal agencies to evaluate major agency actions having the potential to significantly impact the environment. The NEPA process involves public input through comments which can alter the nature of a proposed project either by limiting the scope of the project or requiring resource-specific mitigation. NEPA decisions can be appealed through the court system by process participants. This process may result in delaying the permitting and development of projects, increase the costs of permitting and developing some facilities and could result in certain instances in the cancellation of existing leases.

Water Resources

The CWA and analogous state laws restrict the discharge of pollutants, including produced waters and other oil and natural gas wastes, into waters of the United States, a term broadly defined to include, among other things, certain wetlands. Under the CWA, permits must be obtained for the discharge of pollutants into waters of the United States. The CWA provides for administrative, civil and criminal penalties for unauthorized discharges, both routine and accidental, of pollutants and of oil and hazardous substances. It imposes substantial potential liability for the costs of removal or remediation associated with discharges of oil or hazardous substances. State laws governing discharges to water also provide varying civil, criminal and administrative penalties and impose liabilities in the case of a discharge of petroleum or its derivatives, or other hazardous substances, into state waters. In addition, the EPA has promulgated regulations that may require permits to discharge storm water runoff, including discharges associated with construction activities. Pursuant to these laws and regulations, we may be required to develop and implement spill prevention, control and countermeasure plans, also referred to as "SPCC plans," in connection with on-site storage of significant quantities of oil. Some states also maintain groundwater protection programs that require permits for discharges or operations that may impact groundwater conditions. The CWA also prohibits the discharge of fill materials to regulated waters including wetlands without a permit from the U.S. Army Corps of Engineers. Also, in August 2016, the EPA finalized new wastewater pretreatment standards that prohibit onshore unconventional oil and natural gas extraction facilities from sending wastewater to publicly-owned treatment works.

Natural Gas Sales and Transportation

Section 1(b) of the NGA exempts natural gas gathering facilities from regulation by the FERC as a natural gas company under the NGA. We believe that the natural gas pipelines in our gathering systems meet the traditional tests FERC has used to establish a pipeline's status as a gatherer not subject to regulation as a natural gas company, but the status of these lines has never been challenged before FERC. The distinction between FERC-regulated transmission services and federally unregulated gathering services is subject to change based on future determinations by FERC, the courts, or Congress, and application of existing FERC policies to individual factual circumstances. Accordingly, the classification and regulation of some of our natural gas gathering facilities may be subject to challenge before FERC or subject to change based on future determinations by FERC, the courts, or Congress. In the event our gathering facilities are reclassified to FERC-regulated transmission services, we may be required to charge lower rates and our revenues could thereby be reduced.

FERC requires certain participants in the natural gas market, including natural gas gatherers and marketers which engage in a minimum level of natural gas sales or purchases, to submit annual reports regarding those transactions to FERC. Should we fail to comply with this requirement or any other applicable FERC-administered statute, rule, regulation or order, it could be subject to substantial penalties and fines.

Federal Energy Regulation

The enactment of the PURPA and the adoption of regulations thereunder by the FERC provided incentives for the development of cogeneration facilities such as those we own. A domestic electricity generating project must be a Qualifying Facility ("QF") under FERC regulations in order to benefit from certain rate and regulatory incentives provided by PURPA.

PURPA provides two primary benefits to QFs. First, QFs and entities that own QFs generally are relieved of compliance with certain federal regulations pursuant to the Public Utility Holding Company Act of 2005. Second, FERC's regulations promulgated under PURPA require that electric utilities purchase electricity generated by QFs at a price based on the purchasing utility's avoided cost and that the utility sell back-up power to the QF on a nondiscriminatory basis. The Energy Policy Act of 2005 amended PURPA to allow a utility to petition FERC to be relieved of its obligation to enter into any new contracts with QFs if FERC determines that a competitive wholesale electricity market is available to QFs in the service territory. Effective November 23, 2011, the California utility companies have been relieved of their PURPA obligation to enter into new contracts with cogeneration QFs larger than 20 MW. While the California utility companies are still required to enter into new contracts with smaller facilities, such as our Cogen 18 facility, there is no assurance that we will be able to secure new contracts upon the expiration of the existing contracts for our larger facilities. Even if new contracts are available for our larger facilities, there is no assurance that the prices and terms of such contracts will not adversely affect our financial condition, results of operations and net cash provided by operating activities.

State Energy Regulation

The CPUC has broad authority to regulate both the rates charged by, and the financial activities of, electric utilities operating in California and to promulgate regulation for implementation of PURPA. Since a power sales agreement becomes a part of a utility's cost structure (generally reflected in its retail rates), power sales agreements between electric utilities and independent electricity producers, such as us, are under the regulatory purview of the CPUC. While we are not subject to direct regulation by the CPUC, the CPUC's implementation of PURPA and its authority granted to the investor owned utilities to enter into other PPAs are important to us, as is other regulatory oversight provided by the CPUC to the electricity market in California. The CPUC's implementation of PURPA may be subject to change based on past and future determinations by the courts, or policy determinations made by the CPUC.

Operations on Indian Lands

A portion of our leases and drill-to-earn arrangements in the Uinta basin operating area and some of our future leases in this and other operating areas may be subject to laws promulgated by an Indian tribe with jurisdiction over such lands. In addition to potential regulation by federal, state and local agencies and authorities, an entirely separate and distinct set of laws and regulations may apply to lessees, operators and other parties on Indian lands, tribal or allotted. These regulations include lease provisions, royalty matters, drilling and production requirements, environmental standards, tribal employment and contractor preferences and numerous other matters. Further, lessees and operators on Indian lands may be subject to the jurisdiction of tribal courts, unless there is a specific waiver of sovereign immunity by the relevant tribe allowing resolution of disputes between the tribe and those lessees or operators to occur in federal or state court.

These laws, regulations and other issues present unique risks that may impose additional requirements on our operations, cause delays in obtaining necessary approvals or permits, or result in losses or cancellations of our oil and natural gas leases, which in turn may materially and adversely affect our operations on Indian lands.

Pipeline Safety Regulations

The U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration ("PHMSA") regulates safety of oil and natural gas pipelines, including, with some specific exceptions, oil and natural gas gathering lines. From time to time, PHMSA, the courts, or Congress may make determinations that affect PHMSA's regulations or their applicability to our pipelines. These determinations may affect the costs we incur in complying with applicable safety regulations.

Worker Safety

The Occupational Safety and Health Act ("OSHA") and analogous state laws regulate the protection of the safety and health of workers. The OSHA hazard communication standard requires maintenance of information about hazardous materials used or produced in operations and provision of such information to employees. Other OSHA standards regulate specific worker safety aspects of our operations. Failure to comply with OSHA requirements can lead to the imposition of penalties. In December 2015, the U.S. Departments of Justice and Labor announced a plan to more frequently and effectively prosecute worker health and safety violations, including enhanced penalties.

Future Impacts and Current Expenditures

We cannot predict how future environmental laws and regulations may impact our properties or operations. For the year ended December 31, 2016, we did not incur any material capital expenditures for installation of remediation or pollution control equipment at any of our facilities. We are not aware of any environmental issues or claims that will require material capital expenditures during 2017 or that will otherwise have a material impact on our financial position, results of operations or cash flows.

Legal Proceedings

Substantially all of the Company's liabilities existing as of May 11, 2016, the petition date for the Company's Chapter 11 Proceeding, were repaid or restructured under the Plan. Please see "Pro Forma Financial Data—Plan of Reorganization" for more detailed information regarding the Plan and the treatment of claims under the Plan.

We are involved in various legal and administrative proceedings in the normal course of business, the ultimate resolutions of which, in the opinion of management, are not anticipated to have a material effect on our results of operations, liquidity or financial condition.

For additional information regarding legal proceedings, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Lawsuits, Claims, Contingencies and Contractual Obligations.”

Employees

As of January 24, 2018, we had 286 employees. As of December 31, 2016, we had no employees. Prior to our emergence from bankruptcy, the employees of Linn Operating provided services and support to us in accordance with an agency agreement and power of attorney between us and Linn Operating.

Corporate Information

We were incorporated in Delaware in February 2017. Our principal executive offices are located at 5201 Truxtun Ave., Bakersfield, California 93309 and we have additional executive offices located at 16000 N. Dallas Pkwy, Ste 100, Dallas, Texas 75248. Our telephone number is (661) 616-3900 and our web address is *www.berrypetroleum.com*. Information contained in or accessible through our website is not, and should not be deemed to be, part of this prospectus.

MANAGEMENT

Executive Officers

The following sets forth information regarding our executive officers as of February 13, 2018:

Name	Age	Position
Arthur T. “Trem” Smith	62	President and Chief Executive Officer, and Director
Cary Baetz	53	Executive Vice President and Chief Financial Officer, and Director
Gary A. Grove	57	Executive Vice President and Chief Operating Officer
Kurt Neher	56	Executive Vice President, Business Development
Kendrick F. Royer	54	Executive Vice President, Corporate Secretary and General Counsel

Arthur T. “Trem” Smith has served as the President, Chief Executive Officer and a director since March 2017. Prior to being named Chief Executive Officer, Mr. Smith began an informal consulting relationship in May 2016, followed by a formal consulting relationship in October 2016, and then served as interim CEO while he was a consultant in January 2017. Mr. Smith has over 35 years of experience in the oil and gas industry. In January 2014, Mr. Smith founded TS&J Consulting, where he served until joining Berry Corp. in March 2017 which focused on providing consulting services to distressed companies and assets in the United States and United Kingdom. From January 2007 until January 2014, Mr. Smith was President and Chief Executive Officer at Hillwood International Energy, L.P. and HKN Energy Ltd., which focused on discoveries and production in the United States and northern Iraq. Mr. Smith spent 25 years of his career at Chevron, from 1981 until 2006, where he served in a number of leadership positions with increasing responsibilities in Russia, Thailand and multiple locations in the United States, including La Habra and San Francisco, California. While at Chevron, Mr. Smith was exposed to all phases of the business, including production, operations, exploration, business development, M&A, finance and technology. Mr. Smith graduated magna cum laude from Amherst College with a major in Geology and Russian and received a Master’s degree and PhD in Economic Geology from Pennsylvania State University.

The board of directors believes Mr. Smith’s knowledge and breadth of experience in all phases of oil and gas exploration and production spanning a career of over 35 years, and strategic management of domestic and international oil and gas assets and operations brings important and valuable skills to the board of directors and us.

Cary Baetz has served as Executive Vice President, Chief Financial Officer and a director since May 2017. Mr. Baetz most recently served as Chief Financial Officer at Seventy Seven Energy Inc., a domestic oilfield services company, from June 2012 to April 2017 and as Treasurer of Seventy Seven Energy Inc. from June 2014 to April 2017. From November 2010 to December 2011, he served as Senior Vice President and Chief Financial Officer of Atrium Companies, Inc. and from August 2008 to September 2010, served as Chief Financial Officer of Boots & Coots International Well Control, Inc. From 2005 to 2008, Mr. Baetz served as Vice President of Finance, Treasurer and Assistant Secretary of Chaparral Steel Company. Prior to joining Chaparral, he had been employed since 1996 with Chaparral’s parent company, Texas Industries Inc. From 2002 to 2005, he served as Director of Corporate Finance of Texas Industries Inc. Mr. Baetz has led the sale of three public companies; has successfully completed two public spin-offs; and raised almost $5 billion in capital. Mr. Baetz holds a Bachelor of Science degree from Oklahoma State University and a Master of Business Administration degree from the University of Arkansas.

The board of directors believes that Mr. Baetz is well-qualified to serve on our board of directors because of his extensive public energy company experience across the financial, strategic planning, investor relations areas and spin-offs.

Gary A. Grove has served as Executive Vice President and Chief Operating Officer since May 2017. Mr. Grove has over 35 years of experience in the oil and gas industry. Mr. Grove has served as President and Chief Executive Officer of his consulting firm Greyhaven Energy, LLC, from April 2014 to the present, providing strategic planning, technical and acquisition advisory services to oil and gas industry clients. After helping lead Bonanza Creek Energy, Inc. in its initial public offering in 2011, Mr. Grove served as a Director, Executive Vice President, Engineering and Planning and Chief Operating Officer of Bonanza Creek Energy from December 2011 to April 2014. He also served as Director, Executive Vice President and Chief Operating Officer of a number of Bonanza Creek Energy's predecessor companies from March 2003 to December 2011. Prior to joining the Bonanza Creek entities, Mr. Grove held various reservoir engineering and management positions with UNOCAL and Nuevo Energy. Mr. Grove graduated from Marietta College with a Bachelor of Science degree in Petroleum Engineering.

Kurt Neher has served as our Executive Vice President of Business Development since May 2017. Mr. Neher has over 30 years of diverse technical and commercial experience in the international and United States oil and gas exploration and production business with Shell, Occidental Petroleum ("Oxy"), and California Resources Corporation ("CRC"). Between December 2014 and May 2017, Mr. Neher held the position of Vice President of Business Development at CRC, in which he led the company's Business Development effort. Prior to joining CRC, Mr. Neher led Oxy's California-focused exploration team and production geoscience effort from January 2008 to November 2014. From 1994 to 2008, he worked in various roles at Oxy, including as Chief Geologist, Worldwide Exploration Manager and Exploration Vice President, Ecuador. From 1990 to 1994, Mr. Neher held a number of different positions with Shell's deepwater Gulf of Mexico group in New Orleans. Mr. Neher began his career in 1986 with Shell International in Houston. Mr. Neher has a Masters in Geology from the University of South Carolina and a Bachelors in Geology from Carleton College.

Kendrick F. Royer has served as our Executive Vice President and General Counsel since November 2017 and as Corporate Secretary since December 2017. Prior to joining us, Mr. Royer most recently served as Deputy General Counsel and Assistant Corporate Secretary of CRC, from December 2014 to November 2017. Prior to that he was Assistant General Counsel at Oxy from May 2004 to December 2014. Earlier in his career he served as Senior Vice President, General Counsel and Corporate Secretary at toy retailer FAO, Inc. He started his career with law firms O'Melveny and Myers, LLP and Milbank, Tweed, Hadley and McCloy, LLP. Mr. Royer graduated magna cum laude from Princeton University with a Bachelor of Science in Engineering degree and holds his Juris Doctor from Vanderbilt University Law School.

Board of Directors

The following sets forth information regarding our board of directors as of February 13, 2018:

Name	Age	Position
Arthur T. "Trem" Smith	62	President and Chief Executive Officer, and Director
Cary Baetz	53	Executive Vice President and Chief Financial Officer, and Director
Brent S. Buckley	46	Director (Chairman)
Eugene "Gene" Voiland	71	Director
Kaj Vazales	39	Director

Brent S. Buckley has served as a director since February 20, 2017 and as Chairman of the board since June 19, 2017. Mr. Buckley is a managing director with Benefit Street Partners, one of our principal stockholders, which he joined in September 2014. Prior to joining Benefit Street Partners, from February 2009 through September 2014, Mr. Buckley was engaged in personal business and devoting time to family matters. From March 2006 to February 2009, Mr. Buckley was a managing director at Centerbridge Partners. Prior to Centerbridge, Mr. Buckley worked in various roles at Deutsche Bank Securities and Merrill Lynch. Mr. Buckley received a Master of Arts from the University of Pennsylvania's Graduate School of Arts & Sciences and a Bachelor of Science from the Wharton School at the University of Pennsylvania.

The board of directors believes that Mr. Buckley's management, directorship and business experience and analytical skill in distressed credit and special situation investment activities brings important and valuable skills to the board of directors and us.

Eugene "Gene" Voiland has served as a director since June 19, 2017. Mr. Voiland is Chairman of the Board and of the Audit Committee of Valley Republic Bank where he has served as a member of the bank's board of directors since 2008, and he also currently works as a management consultant. Mr. Voiland is the retired President and Chief Executive Officer of Aera Energy LLC ("Aera"), where he served for more than 10 years, from 1997 to 2007. He has a long history in the energy industry, having worked over 28 years for Shell before his service at Aera. During his career with Shell, he worked as an engineer and manager throughout the United States. He also held senior management positions with Shell, having been appointed General Manager of Engineering and General Manager of Corporate Planning. Mr. Voiland is a board member of Saltchuk Resources, a transportation company. He is also a board member and past Chairman of the California State Chamber of Commerce. Mr. Voiland is a graduate of Washington State University with a Bachelor of Science in Chemical Engineering. He is a member of the WSU Foundation Board of Governors and the WSU Foundation Investment Committee.

The board of directors believes that Mr. Voiland's experience in the energy industry, including his experience integrating operations of two separate business cultures to form and run the successful and efficient operations of the Aera joint venture, as well as his experience running two highly regulated businesses in California, together with his prior board experience brings important and valuable skills to the board of directors and us.

Kaj Vazales has served as a director since February 20, 2017. Mr. Vazales serves as a Managing Director in the Distressed Debt group of Oaktree Capital Management, L.P., one of our principal stockholders. He has been a member of the Distressed Debt group since joining Oaktree in 2007. Prior to joining Oaktree, Mr. Vazales served as an analyst in the Financial Restructuring group at Houlihan Lokey, Inc. In addition, Mr. Vazales currently serves on the board of directors of Aleris Corporation and Pulse Electronics (currently serving on the compensation and audit committees). He previously served as a director of Studio City/New Cotai from May 2015 to September 2016. Mr. Vazales received a Bachelor of Arts degree in economics from Harvard University.

The board of directors believes that Mr. Vazales's extensive financial experience and business acumen in distressed credit as well as his board experience brings important and valuable skills to the board of directors and us.

Board Composition and Director Independence

Pursuant to the Plan, on the Effective Date, we entered into the Stockholders Agreement with members of the Ad Hoc Committee. Under the Stockholders Agreement, the Ad Hoc Committee (referred to in the Stockholders Agreement as the "Stockholder Group") is required to take all necessary action, including voting in person or by proxy, or executing written consents with respect to, all of their common stock and Series A Preferred Stock of Berry Corp., to cause the following five individuals to be elected as directors of Berry Corp.:

- The individual then serving as Chief Executive Officer of Berry Corp.;
- One individual appointed by Benefit Street Partners (for so long as Benefit Street Partners beneficially owns any common stock or Series A Preferred Stock);
- One individual appointed by Oaktree Capital Management (for so long as Oaktree Capital Management beneficially owns any common stock or Series A Preferred Stock); and
- Two individuals appointed by the Stockholder Group (by approval of a majority of the common stock and Series A Preferred Stock beneficially owned by all members of the Stockholder Group).

See “Description of Capital Stock—Stockholders Agreement.” The designee of Benefit Street Partners is Brent Buckley. The designee of Oaktree Capital Management is Kaj Vazales. The Stockholder Group also appointed Gene Voiland and Cary Baetz, our Executive Vice President and Chief Financial Officer.

In evaluating director candidates, we will assess whether a candidate possesses the integrity, judgment, knowledge, experience, skills and expertise that are likely to enhance the board’s ability to manage and direct our affairs and business, including, when applicable, to enhance the ability of the committees of the board to fulfill their duties.

The initial directors will serve for the duration of the term of the Stockholders Agreement. The Stockholders Agreement will terminate automatically upon the occurrence of the third annual meeting of stockholders of Berry Corp. The Stockholders Agreement may be terminated earlier by written agreement of Berry Corp. and the members of the Stockholder Group owning at least a majority of the common stock and Series A Preferred Stock, voting together, then beneficially owned by all members of the Stockholder Group; provided, however, that any early termination also requires the written agreement of any member of the Stockholder Group that then has a right to appoint a director under the Stockholders Agreement.

Committees of the Board of Directors

Audit Committee

Rules implemented by the and the SEC require us to have an audit committee comprised of at least three directors who meet the independence and experience standards established by the and the Exchange Act, subject to transitional relief during the one-year period following the completion of this offering. We will establish an audit committee compliant with and SEC rules prior to the completion of this offering and expect will serve as members of such committee. SEC rules also require that a public company disclose whether or not its audit committee has an “audit committee financial expert” as a member. will satisfy the definition of “audit committee financial expert.”

This committee oversees, reviews, acts on and reports on various auditing and accounting matters to our board of directors, including: the selection of our independent accountants, the scope of our annual audits, fees to be paid to the independent accountants, the performance of our independent accountants and our accounting practices. In addition, the audit committee oversees our compliance programs relating to legal and regulatory requirements. We have adopted an audit committee charter defining the committee’s primary duties in a manner consistent with the rules of the SEC and listing standards.

Compensation Committee

We have established a compensation committee that consists of . This committee establishes salaries, incentives and other forms of compensation for officers and other employees. Our compensation committee also administers our incentive compensation and benefit plans. We have adopted a compensation committee charter defining the committee’s primary duties in a manner consistent with the rules of the SEC, the PCAOB and applicable stock exchange or market standards.

Nominating and Corporate Governance Committee

We expect to establish a nominating and corporate governance committee prior to the completion of this offering. We anticipate that the nominating and corporate governance committee will consist of three directors who will be “independent” under the rules of the SEC, the Sarbanes-Oxley Act and the listing standards. This committee will identify, evaluate and recommend qualified nominees to serve on our board of directors, develop and oversee our internal corporate governance processes, and maintain a management succession plan. We expect to adopt a nominating and corporate governance committee charter defining the committee’s primary duties in a manner consistent with the rules of the SEC and listing standards.

Compensation Committee Interlocks and Insider Participation

None of our executive officers serve on the board of directors or compensation committee of a company that has an executive officer that serves on our board or compensation committee. No member of our board is an executive officer of a company in which one of our executive officers serves as a member of the board of directors or compensation committee of that company.

Policy and Procedures Governing Related Party Transactions

We intend to adopt a written policy regarding transactions with related parties. See "Certain Relationships and Related Party Transactions—Procedures for Approval of Related Party Transactions."

Code of Business Conduct and Ethics

Our board of directors has adopted a code of business conduct and ethics applicable to our employees, directors and officers, in accordance with applicable U.S. federal securities laws and the corporate governance rules of the . Any waiver of this code may be made only by our board of directors and will be promptly disclosed as required by applicable U.S. federal securities laws and the corporate governance rules of the .

EXECUTIVE COMPENSATION

We are currently considered an "emerging growth company," within the meaning of the Securities Act, for purposes of the SEC's executive compensation disclosure rules. In accordance with such rules, we are required to provide a Summary Compensation Table and an Outstanding Equity Awards at Fiscal Year End Table, as well as limited narrative disclosures regarding executive compensation for our last completed fiscal year. Further, our reporting obligations extend only to our "named executive officers," who are the individuals who served as our principal executive officer and our two other most highly compensated officers who served as executive officers during the last completed fiscal year. In accordance with the foregoing, our named executive officers are:

Name	Principal Position

2017 Summary Compensation Table

The following table summarizes, with respect to our named executive officers, information relating to compensation earned for services rendered in all capacities during the fiscal year ended December 31, 2017.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
	2017								
	2017								
	2017								

Outstanding Equity Awards at 2017 Fiscal Year-End

The following table reflects information regarding outstanding equity-based awards held by our Named Executive Officers as of December 31, 2017.

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)

Long-Term Incentive Plan

In order to incentivize management members, we have adopted the Berry Petroleum Corporation 2017 Omnibus Incentive Plan. Further disclosure regarding this plan will be provided in a future filing.

Director Compensation

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth as of , 2018, information regarding the beneficial ownership of our common stock and Series A Preferred Stock and shows the number of shares of common stock and Series A Preferred Stock and the respective percentages owned by:

- each of the selling stockholders;
- each person known to us beneficially own more than 5% of any class of our outstanding common stock;
- each member of our board of directors;
- each of our named executive officers; and
- all of our directors and executive officers as a group.

Except as otherwise noted, the person or entities listed below have sole voting and investment power with respect to all shares of our common stock beneficially owned by them, except to the extent this power may be shared with a spouse. All information with respect to beneficial ownership has been furnished by the respective selling stockholders, 5% or more stockholders, directors or executive officers, as the case may be. Unless otherwise noted, the mailing address of each listed beneficial owner is c/o Berry Petroleum Corporation, 5201 Truxtun Ave., Bakersfield, California 93309.

To the extent that the underwriters sell more than shares of common stock, the underwriters have the option to purchase up to an additional shares from us. Amounts in the table are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

Name of Beneficial Owner(1)	Shares of Common Stock Beneficially Owned Prior to the Offering (1)		Number of Shares of Common Stock Being Offered Hereby	Shares of Common Stock Beneficially Owned After this Offering (Assuming No Exercise of the Underwriters' Over-Allotment Option)		Shares of Common Stock Beneficially Owned After this Offering (Assuming Full Exercise of the Underwriters' Over-Allotment Option)	
	Number	%		Number	%	Number	%
Directors and named executive officers:							
Arthur T. Smith							
(President, Chief Executive Officer and Director)		%			%		%
Cary Baetz							
(Executive Vice President, Chief Financial Officer and Director)		%			%		%
Gary A. Grove							
(Executive Vice President and Chief Operating Officer)		%			%		%
Brent S. Buckley							
(Director)		%			%		%
Eugene J. Voiland							
(Director)		%			%		%
Kaj Vazales							
(Director)		%			%		%
All directors and executive officers as a group (persons)		%			%		%
Selling stockholders and other 5% stockholders:							
		%			**%**		**%**

(1) The amounts and percentages of common stock and Series A Preferred Stock beneficially owned are reported on the bases of regulations of the SEC governing the determination of beneficial ownership of securities. Under the rules of the SEC, a person is deemed to be a "beneficial owner" of a security if that person has or shares voting power, which includes the power to vote or direct the voting of such security, or investment power, which includes the power to dispose of or to direct the disposition of such security. Under these rules, more than one person may be deemed to be a beneficial owner of the same securities, and a person may be deemed to be a beneficial owner of securities as to which such person has no economic interest. The number of shares beneficially owned by a person includes stock options, convertible preferred stock, and any other derivative securities to acquire common stock held by that person that are currently exercisable or convertible within 60 days after the date of this prospectus. The shares issuable under any such securities are treated as outstanding for computing the percentage ownership of the person holding these securities, but are not treated as outstanding for the purposes of computing the percentage ownership of any other person.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In connection with our emergence from bankruptcy, we entered into agreements with certain of our affiliates and with parties who received shares of our common stock and Series A Preferred Stock in exchange for their claims. We have filed copies of the agreements referenced in this section as exhibits to the registration statement of which this prospectus is a part.

Registration Rights Agreement

On the Effective Date, Berry Corp. entered into a Registration Rights Agreement with the members of an ad hoc group of holders of the Unsecured Notes (the "Ad Hoc Committee"). For additional information about the Registration Rights Agreement, see "Description of Capital Stock" below.

Stockholders Agreement

On the Effective Date, Berry Corp. and the members of the Ad Hoc Committee entered into a Stockholders Agreement governing the election of directors to the board of directors of Berry Corp. and other governance matters. For additional information about the Stockholders Agreement, see "Description of Capital Stock" below.

Transactions with LINN Energy

Transition Services and Separation Agreement

On the Effective Date, Berry LLC entered into a Transition Services and Separation Agreement (the "TSSA") with LINN Energy and certain of LINN Energy's affiliates and subsidiaries to facilitate the separation of our operations from LINN Energy's operations. Pursuant to the TSSA, (i) LINN Energy was required to provide, or cause to be provided, certain administrative, management, operating, and other services and support (the "Transition Services") to us for the period from the Effective Date through the last day of the second full calendar month after the Effective Date (the "Transition Period"), (ii) we and the LINN Energy debtors separated our previously combined enterprise and (iii) the LINN Energy debtors transferred to us certain assets that related to our properties or business, in each case under the terms and conditions specified in the TSSA.

Under the TSSA, we reimbursed LINN Energy for any and all reasonable, third-party out-of-pocket costs and expenses, without markup, actually incurred by LINN Energy, to the extent documented, in connection with providing the Transition Services. Additionally, we paid to LINN Energy a management fee of $6 million per month, prorated for partial months, during the Transition Period and paid $2.7 million per month, prorated for partial months, from the first day following the Transition Period through the last day of the second full calendar month thereafter (the "Separation Period"). During the Separation Period, the scope of the Transition Services was reduced to specified accounting and administrative functions. The Transition Period under the TSSA ended April 30, 2017, and the Separation Period ended June 30, 2017.

Operating Agreements

On the Effective Date, in connection with the TSSA, Berry LLC and Linn Energy Holdings, LLC, a wholly-owned subsidiary of LINN Energy ("Linn Holdings"), entered into two Operating Agreements governing the joint ownership and operation of certain oil and natural gas assets with respect to which Berry LLC and Linn Holdings, either directly or through an affiliate, would continue to have joint ownership after the Effective Date.

Pursuant to an Operating Agreement (the "Hugoton JOA"), Linn Operating operated the Hugoton assets as agent for Linn Holdings (which owned a working interest in the Hugoton assets).

Pursuant to an Operating Agreement (the "Hill JOA"), Berry LLC operated the Hill assets under the Hill JOA after the Effective Date until we purchased the assets on July 31, 2017.

Nick Smith Employment Agreement

We currently employ Nick Smith, the son of Arthur T. Smith, our Chief Executive Officer, as Director of Strategic Planning & Commercial Marketing. Consistent with market compensation, Mr. Smith has received $ in aggregate compensation since October 2017.

Procedures for Approval of Related Party Transactions

We intend to adopt a policy for approval of Related Party Transactions. A "Related Party Transaction" is a transaction, arrangement or relationship in which we or any of our subsidiaries was, is or will be a participant, the amount of which involved exceeds $120,000, and in which any Related Person had, has or will have a direct or indirect material interest. A "Related Person" means:

- any person who is, or at any time during the applicable period was, one of our executive officers or one of our directors;
- any person who is known by us to be the beneficial owner of more than 5% of our common stock;
- any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of a director, executive officer or a beneficial owner of more than 5% of our capital stock, and any person (other than a tenant or employee) sharing the household of such director, executive officer or beneficial owner of more than 5% of our capital stock; and
- any firm, corporation or other entity in which any of the foregoing persons is a partner or principal or in a similar position or in which such person has a 10% or greater beneficial ownership interest.

We anticipate that our board of directors will adopt a written related party transactions policy prior to the completion of this offering. Pursuant to this policy, we expect that our audit committee will review all material facts of all Related Party Transactions.

DESCRIPTION OF CAPITAL STOCK

Berry Corp.'s authorized capital stock consists of 750,000,000 shares of common stock, par value $0.001 per share, and 250,000,000 shares of preferred stock, par value $0.001 per share. As of February 9, 2018 there were 32,920,000 shares of common stock and 35,845,001 shares of Series A Preferred Stock outstanding. As of February 9, 2018, there was 1 stockholder of record of our common stock.

The following summary of the capital stock and the Certificate of Incorporation and Bylaws of Berry Corp. does not purport to be complete and is qualified in its entirety by reference to the provisions of applicable law and to the Certificate of Incorporation and Bylaws, which are filed as exhibits to the registration statement of which this prospectus is a part.

Common Stock

Dividends

Subject to the rights granted to any holders of the Series A Preferred Stock, holders of the common stock will be entitled to dividends in the amounts and at the times declared by Berry Corp.'s board of directors in its discretion out of any assets or funds of Berry Corp. legally available for the payment of dividends.

Voting

Each holder of shares of the common stock is entitled to one vote for each share of the common stock on all matters presented to the stockholders of Berry Corp. (including the election of directors). The holders of shares of common stock have no cumulative voting rights. All elections of directors are determined by a plurality of the votes cast, and except as otherwise required by law or by the rules of any stock exchange upon which Berry Corp.'s securities are listed or as otherwise provided in the Bylaws or Certificate of Incorporation, all other matters are determined by a majority of the votes cast affirmatively or negatively, on such matter. Action required or permitted to be taken at an annual or special meeting of stockholders may be taken without a meeting or vote if a written consent setting forth the action is signed by at least the minimum number of votes necessary to authorize or take such action at a meeting.

Liquidation

The holders of the common stock will share equally and ratably in Berry Corp.'s assets on liquidation after payment or provision for all liabilities and any preferential liquidation rights of any preferred stock then outstanding.

Other Rights

The holders of the common stock do not have preemptive rights to purchase shares of Berry Corp.'s stock. The common stock is not convertible, redeemable, assessable or entitled to the benefits of any sinking or repurchase fund. The rights, preferences and privileges of holders of the common stock will be subject to those of the holders of any shares of preferred stock that Berry Corp. may issue in the future.

Under the terms of the Certificate of Incorporation, Berry Corp. is prohibited from issuing any non-voting equity securities to the extent required under Section 1123(a)(6) of the Bankruptcy Code and only for so long as Section 1123 of the Bankruptcy Code is in effect and applicable to Berry Corp.

Limitation of Liability of Directors and Indemnification Matters

The Certificate of Incorporation provides that no director shall be personally liable to Berry Corp. or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any

breach of the director's duty of loyalty to Berry Corp. or its stockholders, (ii) for any act or omission not in good faith or which involves intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law (the "DGCL"), or (iv) for any transaction from which the director derived an improper personal benefit. The effect of this provision is to eliminate Berry Corp.'s and its stockholders' rights, through stockholders' derivative suits on Berry Corp's behalf, to recover monetary damages against a director for a breach of fiduciary duty as a director.

Berry Corp. has entered into indemnification agreements with each of its directors and executive officers. These indemnification agreements require Berry Corp. to indemnify these individuals to the fullest extent permitted under Delaware law against liabilities that may arise by reason of their service as a director or executive officer of Berry Corp. In addition, Berry Corp. is also required to advance expenses incurred by such individuals in connection with any proceeding arising by reason of their service. The Certificate of Incorporation also provides that we will indemnify our directors and officers to the fullest extent permitted under Delaware law.

Anti-Takeover Provisions of the Certificate of Incorporation, the Bylaws and the DGCL

The Certificate of Incorporation, the Bylaws and the DGCL contain provisions that may have some anti-takeover effects and may delay, defer or prevent a takeover attempt or a removal of Berry Corp.'s incumbent officers or directors that a stockholder might consider in his, her or its best interest, including those attempts that might result in a premium over the market price for shares held by the stockholders.

Delays in or Prevention of a Change in Control

Provisions in Berry Corp.'s Bylaws could have an effect of delaying, deferring, or preventing a change in control of Berry Corp.

Preferred Stock

The Certificate of Incorporation authorizes our board of directors, subject to any limitations prescribed by law, without further stockholder approval, to establish and to issue from time to time one or more classes or series of preferred stock, par value $0.001 per share, covering up to an aggregate of 250,000,000 shares of preferred stock. The board of directors may determine the number of shares in each such series and fix the designation, powers, preferences, rights, qualifications, limitations and restrictions of such series. The number of authorized shares of preferred stock may be increased or decreased by the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of capital stock of Berry Corp. entitled to vote thereon, without a vote of the holders of the preferred stock, or of any series thereof, unless a vote of any such holders is required pursuant to the terms of any preferred stock designation.

Series A Preferred Stock

In connection with Berry LLC's emergence from bankruptcy on February 28, 2017, Berry Corp. filed with the Secretary of State of the State of Delaware the Certificate of Designation of Series A Convertible Preferred Stock of Berry Petroleum Corporation (the "Series A Certificate of Designation"). The following is a summary of the material terms of Series A Preferred Stock set forth in the Series A Certificate of Designation.

The Series A Certificate of Designation authorizes the issuance of up to 250,000,000 shares of Series A Preferred Stock. The authorized number of shares of Series A Preferred Stock may be increased or decreased by the board of directors; provided that no decrease shall reduce the number of authorized shares below the number of shares then outstanding plus the number of shares issuable upon exercise or conversion of outstanding rights, options or other securities issued by Berry Corp.

The Series A Preferred Stock ranks senior to each other series or class of capital stock of Berry Corp. with respect to dividend rights, redemption rights, sale, merger or change of control preference and rights on liquidation, dissolution and winding up of the affairs of Berry Corp.

Holders of Series A Preferred Stock are entitled to receive, when, as and if declared by our board of directors, cumulative dividends at a rate per share of 6.00% per annum of the Series A Accreted Value (as defined in the Series A Certificate of Designation), with such dividends compounding quarterly. On each March 31, June 30, September 30 and December 31 of each year, the amount of any dividends unpaid since the previous regular dividend payment date is added to the liquidation preference by increasing the Series A Accreted Value by any such unpaid dividends in accordance with the terms of the Series A Certificate of Designation. Initially, the Series A Accreted Value was $10.00 per share. Dividends may be paid, at our option, either in cash or in additional shares of Series A Preferred Stock, with such shares of Series A Preferred Stock having a deemed value of $10.00 per share. The Series A Preferred Stock is entitled to vote with holders of common stock, voting together as a single class, with respect to any and all matters subject to a stockholder vote, other than as required by law. Each share of Series A Preferred Stock is entitled to a number of votes equal to the number of shares of common stock into which the share is convertible as of the record date or, if there is no specified record date, as of the date of the vote or written consent, as applicable.

If Berry Corp. liquidates, dissolves or winds up, holders of Series A Preferred Stock, in preference to any other series or class of capital stock of Berry Corp., will be entitled to share ratably in Berry Corp.'s assets that are legally available for distribution to Berry Corp.'s stockholders, after payment of its debts and other liabilities, in an amount per share of Series A Preferred Stock equal to the sum of (i) $10.00 plus (ii) any accrued and unpaid regular dividends.

The Series A Preferred Stock may be converted into a number of shares of common stock determined by the applicable Conversion Rate (as defined in the Series A Certificate of Designation) (i) at the option of the holder at any time and (ii) at our option at any time after February 28, 2021, subject to certain conditions, including that the value of a share of common stock into which a share of Series A Preferred Stock is convertible is equal to or greater than $15.00, based on the volume-weighted average price for any 20-trading day period during the 30 trading days preceding conversion. From the time at which any shares of Series A Preferred Stock are deemed to have been converted, the holder of such converted shares shall no longer be entitled to receive dividends on such Series A Preferred Stock (including any prior accrued or unpaid dividend). The Certificate of Designation contains no financial or operational covenants restricting our activities or our ability to raise capital.

The Series A Preferred Stock is not subject to redemption by Berry Corp. or at the option of any holder of Series A Preferred Stock. The Series A Preferred Stock is not entitled to a retirement or sinking fund.

While shares of Series A Preferred Stock are outstanding, the Certificate of Incorporation must not be amended in any manner that would alter or change the powers, preferences or rights of the Series A Preferred Stock so as to affect holders of the Series A Preferred Stock adversely, without the affirmative vote of holders of a majority of the outstanding shares of Series A Preferred Stock, voting together as a single class.

Amendment of the Bylaws

Under the DGCL, the power to adopt, amend or repeal bylaws is conferred upon the stockholders. A corporation may, however, in its certificate of incorporation also confer upon the board of directors the power to adopt, amend or repeal its bylaws. The Certificate of Incorporation and the Bylaws grant to the board of directors the power to adopt, amend, restate or repeal the Bylaws, provided that no bylaw adopted by the stockholders may be amended, repealed or readopted by the board of directors if such bylaw so provides. The stockholders may adopt, amend, restate or repeal the Bylaws but only by a vote of holders of a majority in voting power of the outstanding shares of stock entitled to vote thereon, voting together as a single class; provided that any amendment that adversely affects holders of the preferred stock requires the affirmative vote of a majority of the

preferred stock. Any amendment or waiver of any provision of the Bylaws that adversely affects the rights, preferences or privileges of the holders of the Series A Preferred Stock in any material respect requires the affirmative vote of a majority of the outstanding shares of Series A Preferred Stock outstanding as of the initial issuance.

Other Limitations on Stockholder Actions

- Advance notice is required for stockholders to nominate directors or to submit proposals for consideration at meetings of stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not less than 45 days nor more than 75 days prior to the first anniversary date of the annual meeting for the preceding year. The Bylaws specify the requirements as to form and content of all stockholders' notices. These requirements may preclude stockholders from bringing matters before the stockholders at an annual or special meeting
- Until the third annual meeting of stockholders, the affirmative vote of at least 75% of the voting power of the shares entitled to vote generally in the election of directors to remove a director (after such time, directors may be removed with or without cause by the affirmative vote of holders of a majority of the voting power of our shares entitled to vote on the election of directors);
- Stockholders may call a special meeting only upon request of at least 25% of the voting power of the shares entitled to vote in the election of directors.

Forum Selection

The Certificate of Incorporation generally provides that unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee to us or our stockholders;
- any action asserting a claim against us or our directors, officers or employees arising pursuant to any provision of the DGCL, our Certificate of Incorporation or Bylaws; or
- any action asserting a claim against us or our directors, officers or employees that is governed by the internal affairs doctrine.

Although we believe these provisions will benefit us by providing increased consistency in the application of Delaware law for the specified types of actions and proceedings, the provisions may have the effect of discouraging lawsuits against our directors, officers, employees and agents. The enforceability of similar exclusive forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with one or more actions or proceedings described above, a court could rule that this provision in the Certificate of Incorporation is inapplicable or unenforceable.

Corporate Opportunity

Under the Certificate of Incorporation, to the extent permitted by law:

- our stockholders are permitted to make investments in competing businesses;
- if a Dual Role Person becomes aware of a potential business opportunity, transaction or other matter, they will have no duty to communicate or offer that opportunity to us; and

- we have renounced our interest in, or in being offered an opportunity to participate in, such corporate opportunities presented to a Dual Role Person.

Newly Created Directorships and Vacancies on the Board of Directors

Under the Bylaws, any vacancies on the board of directors for any reason and any newly created directorships resulting from any increase in the number of directors may be filled (i) by the board of directors upon a vote of a majority of the remaining directors then in office, even if they constitute less than a quorum of the board of directors or by a sole remaining director or (ii) by the stockholders at a special or annual meeting or by written consent by of the majority vote of the holders of a majority of the stockholders voting power of shares entitled to vote on the election of directors at special or annual meeting or by written consent.

Registration Rights

The Registration Rights Agreement requires us to file a shelf registration statement with the SEC as soon as practicable following the Effective Date. The shelf registration statement will register the resale, on a delayed or continuous basis, of all Registrable Securities that have been timely designated for inclusion by the holders (specified in the Registration Rights Agreement). Generally, "Registrable Securities" includes (i) common stock we issued under the Plan, (ii) Series A Preferred Stock that was purchased by the participants in an offering of rights to purchase Series A Preferred Stock under the Plan and (iii) common stock into which the Series A Preferred Stock converts, except that "Registrable Securities" does not include securities that have been sold under an effective registration statement or Rule 144 under the Securities Act or securities that have been transferred to a person other than specified holder or valid transferee.

The Registration Rights Agreement also requires us to effect demand registrations, which the specified holders may request to be underwritten, and underwritten shelf takedowns from the initial shelf registration if requested by holders of a specified percentage of Registrable Securities, subject to customary conditions and restrictions. If Registrable Securities are to be distributed in an underwritten public offering and our common stock is not then listed on a national securities exchange or quoted on a recognized trading market, we must use commercially reasonable efforts to cause the Registrable Securities to be listed on a national securities exchange as promptly as practicable.

If we propose to file a registration statement under the Securities Act or conduct a shelf takedown with respect to a public offering of any class of our equity securities, the specified holders have "piggyback" registration rights to include their Registrable Securities in the registration statement, subject to customary conditions and restrictions.

At any time when we are required to file public reports with the SEC under the Securities Act or the Exchange Act, the Registration Rights Agreement requires us to use commercially reasonable efforts to timely comply with the reporting requirements. If we are not subject to these reporting requirements, we must make available information necessary for the specified holders of Registrable Securities to resell their Registrable Securities in compliance with Section 4(a)(7), Rule 144, Rule 144A and Regulation S, if available, without registration under the Securities Act and within the limitations of the applicable exemptions.

The Registration Rights Agreement will terminate when there are no longer any Registrable Securities outstanding.

Stockholders Agreement

On the Effective Date, we and the members of the Ad Hoc Committee entered into a Stockholders Agreement (the "Stockholders Agreement") governing the election of directors to our board of directors and other governance matters. Under the Stockholders Agreement, each member of the Ad Hoc Committee (referred

to in the Stockholders Agreement as the "Stockholder Group") is required to take all necessary action, including voting in person or by proxy, or executing written consents with respect to, all of our common stock and Series A Preferred Stock that they hold, to cause the following five individuals to be elected as our directors:

- The individual serving as our Chief Executive Officer;
- One individual appointed by Benefit Street Partners (for so long as Benefit Street Partners beneficially owns any common stock or Series A Preferred Stock);
- One individual appointed by Oaktree Capital Management (for so long as Oaktree Capital Management beneficially owns any common stock or Series A Preferred Stock); and
- Two individuals appointed by the Stockholder Group (for so long as the Stockholder Group beneficially owns any common stock or Series A Preferred Stock and by approval of a majority of the common stock and Series A Preferred Stock beneficially owned by all members of the Stockholder Group, voting together).

Under the Stockholders Agreement, no member of the Stockholder Group, nor any of their affiliates, will have any liability as a result of designating or nominating an individual to serve as a director for us, solely for any act or omission by such individual in her or her capacity as a director, or for voting for a director in accordance with the terms of the Stockholders Agreement.

The Stockholders Agreement will terminate automatically upon the occurrence of the third annual meeting of our stockholders. The Stockholders Agreement may be terminated earlier by written agreement between us and the members of the Stockholder Group owning at least a majority of the common stock and Series A Preferred Stock together then beneficially owned by all members of the Stockholder Group; except that any early termination also requires the written agreement of any member of the Stockholder Group that then has a right to appoint a director under the Stockholders Agreement.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock and Series A Preferred Stock is American Stock Transfer & Trust Company, LLC ("AST"). AST's address is 6201 15th Avenue, Brooklyn, New York 11219, and AST's phone number is (718) 921-8200.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock, although our common stock has been quoted on the OTC Grey Market under the symbol "BRRP." Future sales of our common stock in the public market, or the availability of such shares for sale in the public market, could adversely affect the market price of our common stock prevailing from time to time. As described below, only a limited number of shares will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Nevertheless, sales of a substantial number of shares of our common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price of our common stock at such time and our ability to raise equity-related capital at a time and price we deem appropriate.

Sales of Restricted Shares

Upon completion of this offering, we will have outstanding an aggregate of shares of common stock. Of these shares, all of the shares of common stock to be sold in this offering (or shares assuming the underwriters exercise the option to purchase additional shares in full) will be freely tradable without restriction or further registration under the Securities Act, unless the shares are held by any of our "affiliates" as such term is defined in Rule 144 under the Securities Act. Other than as described below with respect to shares issued in reliance on Section 1145 of the Bankruptcy Code, all remaining shares of common stock will be deemed "restricted securities" as such term is defined under Rule 144. The restricted securities are eligible for public sale only if registered under the Securities Act or if they qualify for an exemption from registration under Rule 144 or Rule 701 under the Securities Act, which rules are summarized below.

As a result of the lock-up agreements described below and the provisions of Rule 144 and Rule 701 under the Securities Act, the shares of our common stock (excluding the shares to be sold in this offering) that will be available for sale in the public market are as follows:

- shares of common will be eligible for sale the date of this prospectus;
- shares will be eligible for sale upon the expiration of the lock-up agreements beginning days after the date of this prospectus when permitted under Rule 144 or Rule 701.

Lock-up Agreements

We, all of our directors and executive officers and the selling stockholders have agreed not to sell any common stock or securities convertible into or exchangeable for shares of common stock for a period of days from the date of this prospectus, subject to certain exceptions. Please see "Underwriting" for a description of these lock-up provisions.

Rule 144

In general, under Rule 144 under the Securities Act as currently in effect, a person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for a least six months (including any period of consecutive ownership of preceding non-affiliated holders) would be entitled to sell those shares, subject only to the availability of current public information about us. A non-affiliated person who has beneficially owned restricted securities within the meaning of Rule 144 for at least one year would be entitled to sell those shares without regard to the provisions of Rule 144.

A person (or persons whose shares are aggregated) who is deemed to be an affiliate of ours and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months would be entitled

to sell within any three-month period a number of shares that does not exceed the greater of one percent of the then outstanding shares of our common stock or the average weekly trading volume of our common stock reported through the during the four calendar weeks preceding the filing of notice of the sale. Such sales are also subject to certain manner of sale provisions, notice requirements and the availability of current public information about us.

Rule 701

In general, under Rule 701 under the Securities Act, any of our employees, directors, officers, consultants or advisors who purchases shares from us in connection with a compensatory stock or option plan or other written agreement before the effective date of this offering is entitled to sell such shares 90 days after the effective date of this offering in reliance on Rule 144, without having to comply with the holding period requirement of Rule 144 and, in the case of non-affiliates, without having to comply with the public information, volume limitation or notice filing provisions of Rule 144. The SEC has indicated that Rule 701 will apply to typical stock options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options, including exercises after the date of this prospectus.

Stock Issued Under Employee Plans

We intend to file a registration statement on Form S-8 under the Securities Act to register 6,876,500 shares of common stock issuable under our 2017 Incentive Plan. This registration statement on Form S-8 is expected to be filed following the effective date of the registration statement of which this prospectus is a part and will be effective upon filing. Accordingly, shares registered under such registration statement will be available for sale in the open market following the effective date, unless such shares are subject to vesting restrictions with us, Rule 144 restrictions applicable to our affiliates or the lock-up restrictions described above.

Registration Rights Agreement

As described above in “Certain Relationships and Related Party Transactions—Registration Rights Agreement,” we entered into the Registration Rights Agreement with certain of our stockholders, including the selling stockholders, pursuant to which such stockholders have the right, subject to various conditions and limitations, to demand the filing of a registration statement covering their shares of our common stock and to demand the Company to support underwritten sales of such shares, subject to the limitations specified in the Registration Rights Agreement. By exercising their registration rights and causing a large number of shares to be registered and sold in the public market, these holders could cause the price of our common stock to significantly decline.

Plan of Reorganization

On February 28, 2017, in connection with the emergence of our predecessor company from bankruptcy, we issued 32,920,000 shares of our common stock and 35,845,001 shares of Series A Preferred Stock pursuant to the Plan. 336,586 of the shares of Series A Preferred Stock were issued pursuant to an exemption from registration under Section 4(a)(2) of the Securities Act. The remaining shares of Series A Preferred Stock and all of the common stock were issued pursuant to an exemption from registration under Section 1145(a)(1) of the Bankruptcy Code.

In addition, pursuant to the Plan, the holders of unsecured claims against our predecessor company (other than claims under the Unsecured Notes) (the “Unsecured Claims”) are to receive their pro rata share of either (i) 7,080,000 shares of our common stock or (ii) in the event that such holder irrevocably elected to receive a cash recovery, cash distributions from a cash distribution pool. As a result, all outstanding obligations arising from the Unsecured Claims were extinguished. To the extent that holders of Unsecured Claims elected to receive cash rather than our common stock in settlement of their allowed claims, the stock they would have received will be

retained by us as treasury stock. The actual amount of our common stock that that will be issued from the 7,080,000 cannot be known until all claims are settled, adjustments have been made based on the stock to be received by Unsecured Claims and claims under the Unsecured Notes and, the final number of shares of common stock to be received per dollar of Unsecured Claim is known. All such shares currently remain reserved outstanding and to the extent issued, will be also be exempt from registration under Section 1145(a)(1) of the Bankruptcy Code.

Section 1145(a)(1) exempts the offer and sale of securities under the Plan from registration under Section 5 of the Securities Act and state laws if certain requirements are satisfied. of our common shares issued pursuant to the Plan may be resold without registration unless the seller is an "underwriter" with respect to those securities. Section 1145(b)(1) defines an "underwriter" as any person who:

- purchases a claim against, an interest in, or a claim for an administrative expense against the debtor, if that purchase is with a view to distributing any security received in exchange for such a claim or interest;
- offers to sell securities offered under the Plan for the holders of those securities;
- offers to buy those securities from the holders of the securities, if the offer to buy is (i) with a view to distributing those securities; and (ii) under an agreement made in connection with the Plan, the competition of the Plan, or with the offer or sale of securities under the Plan;
- or is an "affiliate" of the issuer.

To the extent a person is deemed to be an "underwriter," resales by such person would not be exempted by Section 1145 from registration under the Securities Act or other applicable law. Those persons would, however, be permitted to sell our shares without registration if they are able to comply with the provisions of Rule 144, as described further above.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income tax considerations related to the purchase, ownership and disposition of our common stock by a non-U.S. holder (as defined below), that holds our common stock as a "capital asset" (generally property held for investment). This summary is based on the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), U.S. Treasury regulations, administrative rulings and judicial decisions, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. We have not sought any ruling from the Internal Revenue Service ("IRS") with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to non-U.S. holders in light of their personal circumstances. In addition, this summary does not address the Medicare tax on certain investment income, U.S. federal estate or gift tax laws, any state, local or non-U.S. tax laws or any tax treaties. This summary also does not address tax considerations applicable to investors that may be subject to special treatment under the U.S. federal income tax laws, such as:

- banks, insurance companies or other financial institutions;
- tax-exempt or governmental organizations;
- qualified foreign pension funds (or any entities all of the interests of which are held by a qualified foreign pension fund);
- dealers in securities or foreign currencies;
- traders in securities that use the mark-to-market method of accounting for U.S. federal income tax purposes;
- persons subject to the alternative minimum tax;
- partnerships or other pass-through entities for U.S. federal income tax purposes or holders of interests therein;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons that acquired our common stock through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;
- certain former citizens or long-term residents of the United States; and
- persons that hold our common stock as part of a straddle, appreciated financial position, synthetic security, hedge, conversion transaction or other integrated investment or risk reduction transaction.

PROSPECTIVE INVESTORS ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATION, AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S. OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Non-U.S. Holder Defined

For purposes of this discussion, a "non-U.S. holder" is a beneficial owner of our common stock that is not for U.S. federal income tax purposes a partnership or any of the following:

- an individual who is a citizen or resident of the United States;

- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (i) the administration of which is subject to the primary supervision of a U.S. court and which has one or more United States persons who have the authority to control all substantial decisions of the trust or (ii) which has made a valid election under applicable U.S. Treasury regulations to be treated as a United States person.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our common stock, the tax treatment of a partner in the partnership generally will depend upon the status of the partner, upon the activities of the partnership and upon certain determinations made at the partner level. Accordingly, we urge partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) considering the purchase of our common stock to consult their tax advisors regarding the U.S. federal income tax considerations of the purchase, ownership and disposition of our common stock by such partnership.

Distributions

Distributions of cash or property on our common stock, if any, will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, the distributions will be treated as a non-taxable return of capital to the extent of the non-U.S. holder's tax basis in our common stock and thereafter as capital gain from the sale or exchange of such common stock. See "—Gain on Disposition of Common Stock." Subject to the withholding requirements under FATCA (as defined below) and with respect to effectively connected dividends, each of which is discussed below, any distribution made to a non-U.S. holder on our common stock generally will be subject to U.S. withholding tax at a rate of 30% of the gross amount of the distribution unless an applicable income tax treaty provides for a lower rate. To receive the benefit of a reduced treaty rate, a non-U.S. holder must provide the applicable withholding agent with an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) certifying qualification for the reduced rate.

Dividends paid to a non-U.S. holder that are effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, are treated as attributable to a permanent establishment maintained by the non-U.S. holder in the United States) generally will be taxed on a net income basis at the rates and in the manner generally applicable to United States persons (as defined under the Code). Such effectively connected dividends will not be subject to U.S. withholding tax if the non-U.S. holder satisfies certain certification requirements by providing the applicable withholding agent with a properly executed IRS Form W-8ECI certifying eligibility for exemption. If the non-U.S. holder is a corporation for U.S. federal income tax purposes, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include effectively connected dividends.

Gain on Disposition of Common Stock

Subject to the discussions below under "—Backup Withholding and Information Reporting" and "—Additional Withholding Requirements under FATCA," a non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on any gain realized upon the sale or other disposition of our common stock unless:

- the non-U.S. holder is an individual who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met;

- the gain is effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States); or
- our common stock constitutes a United States real property interest by reason of our status as a United States real property holding corporation ("USRPHC") for U.S. federal income tax purposes and as a result such gain is treated as effectively connected with a trade or business conducted by the non-U.S. holder in the United States.

A non-U.S. holder described in the first bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate as specified by an applicable income tax treaty) on the amount of such gain, which generally may be offset by U.S. source capital losses.

A non-U.S. holder whose gain is described in the second bullet point above or, subject to the exceptions described in the next paragraph, the third bullet point above, generally will be taxed on a net income basis at the rates and in the manner generally applicable to United States persons (as defined under the Code) unless an applicable income tax treaty provides otherwise. If the non-U.S. holder is a corporation for U.S. federal income tax purposes whose gain is described in the second bullet point above, then such gain would also be included in its effectively connected earnings and profits (as adjusted for certain items), which may be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty).

Generally, a corporation is a USRPHC if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. We believe that we currently are, and expect to remain for the foreseeable future, a USRPHC for U.S. federal income tax purposes. However, as long as our common stock continues to be "regularly traded on an established securities market" (within the meaning of the U.S. Treasury Regulations), only a non-U.S. holder that actually or constructively owns, or owned at any time during the shorter of the five-year period ending on the date of the disposition or the non-U.S. holder's holding period for the common stock, more than 5% of our common stock will be treated as disposing of a U.S. real property interest and will be taxable on gain realized on the disposition of our common stock as a result of our status as a USRPHC. If our common stock were not considered to be regularly traded on an established securities market, such holder (regardless of the percentage of stock owned) would be treated as disposing of a U.S. real property interest and would be subject to U.S. federal income tax on a taxable disposition of our common stock (as described in the preceding paragraph), and a 15% withholding tax would apply to the gross proceeds from such disposition.

Non-U.S. holders should consult their tax advisors with respect to the application of the foregoing rules to their ownership and disposition of our common stock.

Backup Withholding and Information Reporting

Any dividends paid to a non-U.S. holder must be reported annually to the IRS and to the non-U.S. holder. Copies of these information returns may be made available to the tax authorities in the country in which the non-U.S. holder resides or is established. Payments of dividends to a non-U.S. holder generally will not be subject to backup withholding if the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form).

Payments of the proceeds from a sale or other disposition by a non-U.S. holder of our common stock effected by or through a U.S. office of a broker generally will be subject to information reporting and backup withholding (at the applicable rate) unless the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) and certain other conditions are met. Information reporting and backup withholding generally will not apply to any payment of the proceeds from a sale or other disposition of our common stock effected outside the United States

by a non-U.S. office of a broker. However, unless such broker has documentary evidence in its records that the non-U.S. holder is not a United States person and certain other conditions are met, or the non-U.S. holder otherwise establishes an exemption, information reporting will apply to a payment of the proceeds of the disposition of our common stock effected outside the United States by such a broker if it has certain relationships within the United States.

Backup withholding is not an additional tax. Rather, the U.S. federal income tax liability (if any) of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is timely furnished to the IRS.

Additional Withholding Requirements under FATCA

Sections 1471 through 1474 of the Code, and the U.S. Treasury regulations and administrative guidance issued thereunder ("FATCA"), impose a 30% withholding tax on any dividends paid on our common stock and on the gross proceeds from a disposition of our common stock (if such disposition occurs after December 31, 2018), in each case if paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code) (including, in some cases, when such foreign financial institution or non-financial foreign entity is acting as an intermediary), unless (i) in the case of a foreign financial institution, such institution enters into an agreement with the U.S. government to withhold on certain payments, and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are non-U.S. entities with U.S. owners), (ii) in the case of a non-financial foreign entity, such entity certifies that it does not have any "substantial United States owners" (as defined in the Code) or provides the applicable withholding agent with a certification identifying the direct and indirect substantial United States owners of the entity (in either case, generally on an IRS Form W-8BEN-E), or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules and provides appropriate documentation (such as an IRS Form W-8BEN-E). Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing these rules may be subject to different rules. Under certain circumstances, a holder might be eligible for refunds or credits of such taxes. Non-U.S. holders are encouraged to consult their own tax advisors regarding the effects of FATCA on an investment in our common stock.

INVESTORS CONSIDERING THE PURCHASE OF OUR COMMON STOCK ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE APPLICABILITY AND EFFECT OF U.S. FEDERAL ESTATE AND GIFT TAX LAWS AND ANY STATE, LOCAL OR NON-U.S. TAX LAWS AND TAX TREATIES.

UNDERWRITING (CONFLICTS OF INTEREST)

The company and the underwriters named below have entered into an underwriting agreement with respect to the shares being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of shares indicated in the following table. is the representative of the underwriters.

Underwriters	Number of Shares
Total	

The underwriters are committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

The underwriters have an option to buy up to an additional shares from the company to cover sales by the underwriters of a greater number of shares than the total number set forth in the table above. They may exercise that option for 30 days. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by the company. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares. No underwriting discounts or commissions will be paid by the selling stockholders.

Paid by the Company

	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the initial public offering price. After the initial offering of the shares, the representatives may change the offering price and the other selling terms. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

The company and its officers, directors, and holders of substantially all of the company's common stock have agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of their common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus continuing through the date days after the date of this prospectus, except with the prior written consent of the representatives. This agreement does not apply to any existing employee benefit plans. See "Shares Eligible for Future Sale" for a discussion of certain transfer restrictions.

Prior to the offering, there has been no public market for the shares, although our common stock has been quoted on the OTC Grey Market under the symbol "BRRP." The initial public offering price has been negotiated among the company and the representatives. Among the factors to be considered in determining the initial public offering price of the shares, in addition to prevailing market conditions, will be the company's historical performance, estimates of the business potential and earnings prospects of the company, an assessment of the company's management and the consideration of the above factors in relation to market valuation of companies in related businesses.

An application has been made to list the common stock on the under the symbol " ". In order to meet one of the requirements for listing the common stock on the , the underwriters have undertaken to sell lots of 100 or more shares to a minimum of 400 beneficial holders.

In connection with the offering, the underwriters may purchase and sell shares of common stock in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A "covered short position" is a short position that is not greater than the amount of additional shares for which the underwriters' option described above may be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to cover the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase additional shares pursuant to the option described above. "Naked" short sales are any short sales that create a short position greater than the amount of additional shares for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of the company's stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the common stock. As a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. The underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on , in the over-the-counter market or otherwise.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") an offer to the public of our common shares may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of our common shares may be made at any time under the following exemptions under the Prospectus Directive:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares of our common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to our common shares in any Relevant Member State means the communication in any form and by any means of sufficient information

on the terms of the offer and our common shares to be offered so as to enable an investor to decide to purchase our common shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (as amended), including by Directive 2010/73/EU, and includes any relevant implementing measure in the Relevant Member State.

This European Economic Area selling restriction is in addition to any other selling restrictions set out below.

United Kingdom

In the United Kingdom, this prospectus is only addressed to and directed as qualified investors who are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order); or (ii) high net worth entities and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this prospectus relates is available only to relevant persons and will only be engaged with relevant persons. Any person who is not a relevant person should not act or relay on this prospectus or any of its contents.

Canada

The securities may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions, and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption form, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Hong Kong

The shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("Companies (Winding Up and Miscellaneous Provisions) Ordinance") or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("Securities and Futures Ordinance"), or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities

laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA")) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to conditions set forth in the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, the securities (as defined in Section 239(1) of the SFA) of that corporation shall not be transferable for 6 months after that corporation has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer in that corporation's securities pursuant to Section 275(1A) of the SFA, (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore ("Regulation 32") Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that trust has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32.

Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended), or the FIEA. The securities may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.

The company estimates that their share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $.

The company has agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the issuer and to persons and entities with relationships with the issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the issuer. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

LEGAL MATTERS

The validity of the notes offered by this prospectus will be passed upon for us by Vinson & Elkins L.L.P., Houston, Texas. Certain legal matters in connection with this offering will be passed upon for the underwriters by .

EXPERTS

The financial statements of Berry Petroleum Company, LLC (Debtor-in-Possession) (the "Company") as of December 31, 2016 and 2015, and for each of the years in the two-year period ended December 31, 2016, have been included herein in reliance upon the report of KPMG LLP, independent registered public accounting firm, and upon the authority of said firm as experts in auditing and accounting.

The audit report covering the December 31, 2016 financial statements contains an explanatory paragraph that states that the United States Bankruptcy Court for the Southern District of Texas confirmed the Company's Plan of Reorganization (the "Plan") on January 27, 2017. Confirmation of the Plan resulted in the discharge of debt of the Company and substantially altered rights and interests of debt and equity security holders as provided for in the Plan. The Plan was substantially consummated on February 28, 2017 and the Company emerged from bankruptcy as a wholly-owned subsidiary of Berry Petroleum Corporation in accordance with the Plan. In connection with its emergence from bankruptcy, the Company adopted fresh-start accounting as of February 28, 2017.

Certain estimates of our oil and natural gas reserves and related information included in this prospectus have been derived from reports prepared by the independent engineering firm, DeGolyer and MacNaughton. All such information has been so included on the authority of such firms as experts regarding the matters contained in their reports.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 (including the exhibits, schedules and amendments thereto) under the Securities Act, with respect to the shares of our common stock offered hereby. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. For further information with respect to the common stock offered hereby, we refer you to the registration statement and the exhibits and schedules filed therewith. Statements contained in this prospectus as to the contents of any contract, agreement or any other document are summaries of the material terms of such contract, agreement or other document and are not necessarily complete. With respect to each of these contracts, agreements or other documents filed as an exhibit to the registration statement, reference is made to the exhibits for a more complete description of the matter involved. A copy of the registration statement, and the exhibits and schedules thereto, may be inspected without charge at the public reference facilities maintained by the SEC at 100 F Street NE, Washington, D.C. 20549. Copies of these materials may be obtained, upon payment of a duplicating fee, from the Public Reference Room of the SEC at 100 F Street NE, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. The SEC maintains a website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of the SEC's website is *www.sec.gov*.

As a result of the offering, we will become subject to full information requirements of the Exchange Act. We will fulfill our obligations with respect to such requirements by filing periodic reports and other information with the SEC. We intend to furnish our stockholders with annual reports containing financial statements certified by an independent public accounting firm.

INDEX TO FINANCIAL STATEMENTS

Historical Financial Statements

BERRY PETROLEUM CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

	Berry Corp. (Successor) September 30, 2017 (unaudited)	Berry LLC (Predecessor) December 31, 2016
	(in thousands, except share amounts)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,926	$ 30,483
Accounts receivable, net	51,453	51,175
Derivative instruments	971	—
Restricted cash	35,000	128
Other current assets	20,955	16,218
Total current assets	111,305	98,004
Noncurrent assets:		
Oil and natural gas properties (successful efforts method)	1,324,683	5,026,810
Less accumulated depletion and amortization	(37,512)	(2,789,368)
	1,287,171	2,237,442
Other property and equipment	103,711	123,460
Less accumulated depreciation	(4,896)	(20,759)
	98,815	102,701
Derivative instruments	4,010	—
Restricted cash	—	197,793
Other noncurrent assets	78,088	16,110
Total noncurrent assets	1,468,084	2,554,046
Total assets	$ 1,579,389	$ 2,652,050
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 109,003	$ 65,858
Derivative instruments	6,826	8,896
Current portion of long-term debt	—	891,259
Liabilities subject to compromise	35,000	—
Other accrued liabilities	—	3,140
Total current liabilities	150,829	969,153
Noncurrent liabilities:		
Derivative instruments	7,729	10,221
Long-term debt	379,000	—
Other noncurrent liabilities	61,858	169,160
Liabilities subject to compromise	—	1,000,553
Deferred income taxes	8,823	—
Asset retirement obligation	93,609	—
Total noncurrent liabilities	551,019	1,179,934
Commitments and Contingencies-Note 7		
Stockholders'/member's equity:		
Successor Series A convertible preferred stock ($.001 par value, 250,000,000 shares authorized and 35,845,001 shares issued at September 30, 2017; no shares authorized and issued at December 31, 2016)	335,000	—
Successor common stock ($.001 par value, 750,000,000 shares authorized and 32,920,000 shares issued at September 30, 2017; no shares authorized or issued at December 31, 2016)	33	—
Predecessor additional paid-in-capital	—	2,798,713
Successor additional paid-in-capital	528,696	—
Predecessor accumulated deficit	—	(2,295,750)
Retained earnings	13,812	—
Total Stockholders'/member's equity	877,541	502,963
Total liabilities and equity	$ 1,579,389	$ 2,652,050

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
	(Unaudited)	(Unaudited)	
		(in thousands)	
Revenues and other:			
Oil, natural gas and natural gas liquids sales	$ 237,324	$ 74,120	$ 285,538
Electricity sales	15,517	3,655	17,573
(Losses) gains on oil and natural gas derivatives	5,642	12,886	1,642
Marketing revenues	1,901	633	2,743
Other revenues	3,902	1,424	5,634
	264,286	92,718	313,130
Expenses:			
Lease operating expenses	108,751	28,238	138,557
Electricity generation expenses	10,192	3,197	12,118
Transportation expenses	18,645	6,194	32,518
Marketing expenses	1,674	653	2,173
General and administrative expenses	39,791	7,964	65,313
Depreciation, depletion and amortization	48,392	28,149	139,980
Impairment of long-lived assets	—	—	1,030,588
Taxes, other than income taxes	25,113	5,212	20,614
(Gains) losses on sale of assets and other, net	(20,687)	(183)	(137)
	231,871	79,424	1,441,724
Other income and (expenses):			
Interest expense	(12,482)	(8,245)	(48,719)
Other, net	4,070	(63)	(79)
	(8,412)	(8,308)	(48,798)
Reorganization items, net	(1,001)	(507,720)	(38,829)
(Loss) income before income taxes	23,002	(502,734)	(1,216,221)
Income tax (benefit) expense	9,190	230	196
Net (loss) income	13,812	$ (502,964)	$ (1,216,417)
Undeclared dividends on Series A preferred stock	(12,681)	n/a	n/a
Net income available to common stockholders	$ 1,131	n/a	n/a
Earnings per share attributable to common stock:			
Basic	$ 0.03	n/a	n/a
Diluted	$ 0.03	n/a	n/a

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Berry LLC (Successor)	Berry Corp. (Predecessor)	
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
	(Unaudited)	(Unaudited)	
		(in thousands)	
Cash flow from operating activities:			
Net income (loss)	$ 13,812	$ (502,964)	$ (1,216,417)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation, depletion and amortization	48,392	28,149	139,980
Amortization of debt issuance costs	857	416	1,226
Impairment of long-lived asset	—	—	1,030,588
Stock-based compensation expense	902	—	—
Deferred income taxes	8,823	9	71
Gain on sale of assets and other, net	(20,687)	(25)	(874)
Reorganization expenses, net	—	501,872	22,866
Derivatives activities:			
Total (gains) losses	(5,642)	(12,886)	2,963
Cash settlements	9,902	534	8,007
Cash settlements on canceled derivatives	—	—	1,701
Changes in assets and liabilities:			
Increase in accounts receivable, net	(2,125)	(9,152)	(2,839)
Decrease (increase) in other assets	(12,130)	(2,842)	(3,175)
Decrease (increase) in restricted cash	17,860	(52,732)	—
Increase (decrease) in accounts payable and accrued expenses	12,083	18,455	17,866
Increase in other liabilities	16,317	990	1,306
Net cash provided by (used in) operating activities	88,364	(30,176)	3,269
Cash flow from investing activities:			
Capital expenditures:			
Development of oil and natural gas properties	(41,075)	(859)	(16,168)
Purchases of other property and equipment	(11,497)	(2,299)	(10,366)
Decrease in restricted cash	—	—	53,418
Purchase of properties and equipment and other	(256,814)	—	—
Proceeds from sale of properties and equipment and other	234,823	25	172
Net cash (used in) provided by investing activities	(74,563)	(3,133)	27,056
Cash flow from financing activities:			
Proceeds from sale of Series A convertible preferred stock	—	335,000	—
Borrowings under new credit facility	390,800	—	—
Repayments on new credit facility	(11,800)	—	—
Repayments on previous credit facility	(451,000)	(300,000)	(1,701)
Borrowings under previous credit facility	51,000	—	—
Debt issuance costs	(22,049)	—	—
Net cash (used in) provided by financing activities	(43,049)	35,000	(1,701)
Net (decrease) increase in cash and cash equivalents	(29,248)	1,691	28,624
Cash and cash equivalents:			
Beginning	32,174	30,483	1,023
Ending	$ 2,926	$ 32,174	$ 29,647

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM COMPANY, LLC
(PREDECESSOR)
CONDENSED CONSOLIDATED STATEMENT OF EQUITY
(Unaudited)

	Series A Convertible Preferred Stock		Common stock		Additional Paid-in Capital	Accumulated (Deficit)	Total Member's equity
	Shares	Amount	Shares	Amount			
					(in thousands)		
Balance, December 31, 2015 (Predecessor)	—	—	—	—	$ 2,798,713	$(1,012,554)	$ 1,786,159
Net loss	—	—	—	—	—	(1,216,417)	(1,216,417)
Balance, September 30, 2016 (Predecessor)	—	—	—	—	2,798,713	(2,228,971)	569,742
Balance, February 28, 2017 (Predecessor)	—	—	—	—	2,798,714	(2,798,714)	—
Cancellation of Predecessor Equity	—	—	—	—	(2,798,714)	2,798,714	—
Balance, February 28, 2017 (Predecessor)	—	$ —	—	$ —	$ —	$ —	$ —

BERRY PETROLEUM CORPORATION
(SUCCESSOR)
CONDENSED CONSOLIDATED STATEMENT OF EQUITY
(Unaudited)

	Series A Convertible Preferred Stock		Common stock		Additional Paid-in Capital	Retained Earnings	Total Stockholders' equity
Issuance of Series A convertible preferred stock	35,845	$335,000	—	$ —	$ —	$ —	$ 335,000
Issuance of Common Stock	—	—	32,920	33	527,794	—	527,827
Beneficial conversion feature related to Series A convertible preferred stock	—	—	—	—	27,750	(27,750)	—
Elimination of accumulated deficit	—	—	—	—	(27,750)	27,750	—
Balance, February 28, 2017 (Successor)	35,845	335,000	32,920	33	527,794	—	862,827
Net income	—	—	—	—	—	13,812	13,812
Stock based compensation	—	—	—	—	902	—	902
Balance, September 30, 2017 (Successor)	35,845	$335,000	32,920	$ 33	$528,696	$ 13,812	$ 877,541

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

September 30, 2017

Note 1 – Basis of Presentation

"Berry Corp." refers to Berry Petroleum Corporation, a Delaware corporation that is the sole member of Berry LLC.

"Berry LLC" refers to Berry Petroleum Company, LLC, a Delaware limited liability company that is wholly owned by Berry Corp.

As the context may require, the "Company", "we", "our" or similar words refer to (i) Berry Corp. ("the Successor") and Berry LLC, its consolidated subsidiary, as a whole or (ii) either Berry Corp. or Berry LLC on an individual basis. References to historical activities of the "Company" prior to February 28, 2017, refer to activities of Berry LLC ("the Predecessor").

"LINN Energy" refers to Linn Energy, LLC, a Delaware limited liability company of which Berry LLC was formerly a wholly-owned, indirect subsidiary.

Subsequent events have been evaluated through February 9, 2018, the date these financial statements were available to be issued. Any material subsequent events that occurred prior to such date have been properly recognized or disclosed in the financial statements and related footnotes.

Nature of Business

Berry Corp. is an independent oil and natural gas company that was incorporated under Delaware law on February 13, 2017. Berry Corp. operates through its wholly-owned subsidiary, Berry LLC.

On December 16, 2013, an affiliate of LINN Energy, LinnCo, LLC ("LinnCo"), acquired all the outstanding common shares of Berry Petroleum Company and contributed Berry Petroleum Company to LINN Energy in exchange for LINN Energy units. In connection with its acquisition by LINN Energy, Berry Petroleum Company was converted from a Delaware corporation into a Delaware limited liability company and changed its name to "Berry Petroleum Company, LLC." Linn Acquisition Company, LLC, a direct subsidiary of LINN Energy, became Berry LLC's sole member.

As discussed further in Note 2, on May 11, 2016 (the "Petition Date"), the LINN entities and, consequently, Berry LLC (collectively, the "Debtors"), filed voluntary petitions ("Bankruptcy Petitions") for relief under Chapter 11 ("Chapter 11") of the U.S. Bankruptcy Code ("Bankruptcy Code") in the U.S. Bankruptcy Court for the Southern District of Texas ("Bankruptcy Court"). The Debtors' Chapter 11 cases were administered jointly under the caption In re Linn Energy, LLC, et al., Case No. 16-60040 (collectively, the "Chapter 11 Proceedings"). During the pendency of the Chapter 11 Proceedings, the debtors in the Chapter 11 Proceedings (the "Debtors"), operated their businesses as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code. The Company emerged from bankruptcy as a stand-alone company separate from LINN Energy effective February 28, 2017 (the "Effective Date").

Our properties are located in the United States ("U.S."), in California (in the San Joaquin and Ventura basins), Utah (in the Uinta basin), Colorado (in the Piceance basin) and east Texas.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

Principles of Consolidation and Reporting

The information reported herein reflects all normal recurring adjustments that are, in the opinion of management, necessary for the fair presentation of the results for the interim periods. Certain information and note disclosures normally included in annual financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP") have been condensed or omitted under Securities and Exchange Commission ("SEC") rules and regulations. The results reported in these unaudited condensed consolidated financial statements should not necessarily be taken as indicative of results that may be expected for the entire year.

The condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All significant intercompany transactions and balances have been eliminated upon consolidation.

Bankruptcy Accounting

The condensed consolidated financial statements have been prepared as if the Company is a going concern and reflect the application of GAAP. GAAP requires that the financial statements, for periods subsequent to filing of the Chapter 11 Proceeding, distinguish transactions and events that are directly associated with the reorganization from the ongoing operations of the business. Accordingly, certain expenses, gains and losses that are realized or incurred in the bankruptcy proceedings are recorded in "reorganization items, net" on our condensed consolidated statements of operations. In addition, prepetition unsecured and under-secured obligations that may be impacted by the bankruptcy reorganization process have been classified as "liabilities subject to compromise" on our condensed balance sheet. These liabilities are reported at the amounts allowed as claims by the Bankruptcy Court, although they may be settled for less.

Upon emergence from bankruptcy on February 28, 2017, we adopted fresh-start accounting which resulted in Berry Corp. becoming the financial reporting entity. As a result of the application of fresh-start accounting and the effects of the implementation of the Plan, the condensed consolidated financial statements on or after February 28, 2017 are not comparable to the condensed consolidated financial statements prior to that date. See Note 3 for additional information.

Use of Estimates

The preparation of the accompanying condensed consolidated financial statements in conformity with GAAP requires management of the Company to make informed estimates and assumptions about future events. These estimates and the underlying assumptions affect the amount of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenues and expenses. In addition, as part of fresh-start accounting, we made estimates and assumptions related to our reorganization value, liabilities subject to compromise and the fair value of assets and liabilities recorded.

As fair value is a market-based measurement, it is determined based on the assumptions that market participants would use. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. Such estimates and assumptions are adjusted when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from these estimates. Any changes in estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

Recently Issued Accounting Standards

In May 2017, the Financial Accounting Standards Board ("FASB") issued rules to simplify the guidance on the modification of share-based payment awards. The amendments provide clarity on which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting prospectively. The rules are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, with early adoption permitted. We do not expect the adoption of these rules to have a significant impact on our financial statements.

In January 2017, the FASB issued rules that changed the definition of a business to assist entities with evaluating when a set of transferred assets and activities is a business. The rules are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, with early adoption permitted. We do not expect the adoption of these rules to have a significant impact on our financial statements.

In November 2016, the FASB issued rules intended to address the diversity in practice in the classification and presentation of changes in restricted cash on the statement of cash flows. These rules will be applied retrospectively as of the date of adoption and are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years (early adoption permitted). We are currently evaluating the impact of the adoption of these rules on our financial statements and related disclosures. This is expected to result in the inclusion of restricted cash in the beginning and ending balances of cash on the statements of cash flows and require additional disclosures.

In August 2016, the FASB issued rules that modify how certain cash receipts and cash payments are presented and classified in the statement of cash flows. These rules are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, with earlier adoption permitted. We are currently evaluating the impact of these rules on our financial statements.

In June 2016, the FASB issued rules that change how entities will measure credit losses for certain financial assets and other instruments that are not measured at fair value. These rules are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years, with early adoption permitted. We are currently evaluating the impact of these rules on our financial statements.

In February 2016, the FASB issued rules requiring lessees to recognize assets and liabilities on the balance sheet for the rights and obligations created by all leases with terms of more than 12 months and to include qualitative and quantitative disclosures with respect to the amount, timing, and uncertainty of cash flows arising from leases. These rules will be effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, with earlier application permitted. We are currently evaluating the impact of these rules on our financial statements.

In January 2016, the FASB issued rules that modify how entities measure equity investments and present changes in the fair value of financial liabilities. Unless the investments qualify for a practicality exception, the new rules require all equity investments to be measured at fair value with changes in the fair value recognized through net income (other than those accounted for under the equity method of accounting or those that result in consolidation of the investee). Entities will have to record changes in instrument-specific credit risk for financial liabilities measured under the fair value option in other comprehensive income. These new rules become effective for fiscal years beginning after December 15, 2017 with no early adoption permitted. We do not expect the adoption of these rules to have a significant impact on our financial statements.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

During 2016, the FASB issued rules clarifying the new revenue recognition standard issued in 2014. The new rules are intended to improve and converge the financial reporting requirements for revenue from contracts with customers. For non-public companies, these rules are effective for fiscal years beginning after December 15, 2018, including interim periods within those years. We are currently evaluating the impact of the adoption of these rules on our financial statements and related disclosures.

Note 2 – Emergence from Voluntary Reorganization under Chapter 11

On the Petition Date, the Debtors filed Bankruptcy Petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The Debtors' Chapter 11 cases were administered jointly under the caption In re Linn Energy, LLC, et al., Case No. 16-60040.

In December 2016, Berry LLC and Linn Acquisition Company, LLC, on the one hand, and LINN Energy and its other affiliated debtors, on the other hand, filed separate plans of reorganization with the Bankruptcy Court. The "Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC" (the "Plan") was filed on December 13, 2016. On January 27, 2017, the Bankruptcy Court entered its confirmation order (the "Confirmation Order") approving and confirming the Plan.

On February 28, 2017, the Plan became effective and was implemented in accordance with its terms. Among other transactions, Linn Acquisition Company, LLC transferred 100% of Berry LLC's outstanding membership interests to Berry Corp. As a result, Berry LLC emerged from bankruptcy as a wholly-owned subsidiary of Berry Corp., separate from LINN Energy and its affiliates.

Plan of Reorganization

On the Effective Date, the Company consummated the following reorganization transactions in accordance with the Plan:

- Linn Acquisition Company, LLC transferred 100% of the outstanding membership interests in Berry LLC to Berry Corp. pursuant to an Assignment Agreement. Under the Assignment Agreement, Berry LLC became a wholly-owned operating subsidiary of Berry Corp.
- The holders of claims under the Company's Second Amended and Restated Credit Agreement, dated November 15, 2010, by and among Berry LLC, as borrower, Wells Fargo Bank, N.A., as administrative agent, and certain lenders, (as amended, the "Pre-Emergence Credit Facility"), received (i) their pro rata share of a cash paydown and (ii) pro rata participation in the new facility (the "Emergence Credit Facility"). As a result, all outstanding obligations under the Pre-Emergence Credit Facility were canceled and the agreements governing these obligations were terminated.
- Berry LLC, as borrower, entered into the Emergence Credit Facility with the holders of claims under the Pre-Emergence Credit Facility, as lenders, and Wells Fargo Bank, N.A, as administrative agent, providing for a new reserve-based revolving loan with up to $550 million in borrowing commitments. For additional information about the Emergence Credit Facility, see Note 5.
- The holders of the Company's 6.75% senior notes due 2020, issued by Berry LLC pursuant to a Second Supplemental Indenture, dated November 1, 2010, and 6.375% senior notes due 2022, issued by Berry LLC pursuant to a Third Supplemental Indenture, dated March 9, 2012 (collectively, the "Unsecured Notes"), received a right to their pro rata share of either (i) 32,920,000 shares of common stock in Berry Corp. or, for those non-accredited investors holding the Unsecured Notes that irrevocably elected to receive a cash recovery, cash distributions from a $35 million cash distribution pool (the "Cash

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

Distribution Pool") and (ii) specified rights to participate in a two-tranche offering of rights to purchase Series A Preferred Stock at an aggregate purchase price of $335 million (as further defined in the Plan, the "Berry Rights Offerings"). As a result, all outstanding obligations under the Unsecured Notes were canceled and the indentures and related agreements governing these obligations were terminated.

- The holders of unsecured claims against the Company (other than the Unsecured Notes) (the "Unsecured Claims") received a right to their pro rata share of either (i) 7,080,000 shares of common stock in Berry Corp. or (ii) in the event that such holder irrevocably elected to receive a cash recovery, cash distributions from the Cash Distribution Pool. As a result, all outstanding obligations under the Unsecured Notes and the indentures governing such obligations were canceled and the obligations arising from the Unsecured Claims were extinguished.
- Berry LLC settled all intercompany claims against the LINN Energy and its affiliates pursuant to a settlement agreement approved as part of the Plan and the Confirmation Order. The settlement agreement provided Berry LLC with a $25 million general unsecured claim against LINN Energy which Berry LLC has fully-reserved.

Liabilities Subject to Compromise

Berry LLC's condensed balance sheet as of December 31, 2016, included amounts classified as "liabilities subject to compromise," which represented prepetition liabilities that were allowed, or that the Company estimated would be allowed, as claims in its Chapter 11 case. The following table summarizes the components of liabilities subject to compromise included on the condensed balance sheet:

	Berry LLC (Predecessor) December 31, 2016 (in thousands)
Accounts payable and accrued expenses	$ 151,515
Accrued interest payable	15,238
Debt	833,800
Liabilities subject to compromise	$ 1,000,553

Through the claims resolution process, many claims were disallowed by the Bankruptcy Court because they were duplicative, amended or superseded by later filed claims, were without merit, or were otherwise overstated. Throughout the Chapter 11 proceedings, the Debtors also resolved many claims through settlements or by Bankruptcy Court orders following the filing of an objection. The Debtors will continue to settle claims and file additional objections with the Bankruptcy Court. To the extent that such adjustments relate to Unsecured Claims, no additional liability to the Company is anticipated as such claimants are only entitled to a pro rata share of 7,080,000 shares of common stock in the Company or, for unaccredited investors who irrevocably elected to receive a cash recovery, cash distributions from the Cash Distribution Pool. The liability for this cash distribution pool is included in liabilities subject to compromise. In light of the substantial number and amounts of claims filed, we expect the claims resolution process and the ultimate number and amount of, or exact recovery with respect to, allowed Unsecured claims, will take considerable time to complete.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

Reorganization Items, Net

We have incurred and continue to incur expenses associated with the reorganization. Reorganization items, net represent costs and income directly associated with the Chapter 11 proceedings since the Petition Date, and also include adjustments to reflect the carrying value of certain liabilities subject to compromise at their estimated allowed claim amounts, as such adjustments were determined. The following table summarizes the components of reorganization items included on the condensed consolidated statements of operations:

	Successor	Predecessor	
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
		(in thousands)	
Gain on settlement of liabilities subject to compromise	$ —	$ 437,474	$ —
Unamortized premiums	—	—	10,923
Terminated contracts	—	—	(34,725)
Fresh-start valuation adjustments	—	(920,699)	—
Legal and other professional advisory fees	(1,001)	(19,481)	(15,949)
Other	—	(5,014)	922
Reorganization items, net	$ (1,001)	$ (507,720)	$ (38,829)

Note 3 – Fresh-Start Accounting

Upon our emergence from Chapter 11 bankruptcy, we adopted fresh-start accounting which resulted in our becoming a new entity for financial reporting purposes. We were required to adopt fresh-start accounting upon our emergence from Chapter 11 because (i) the holders of existing voting ownership interests of the Predecessor received less than 50% of the voting shares of the Successor and (ii) the reorganization value of our assets immediately prior to confirmation of the Plan was less than the total of all post-petition liabilities and allowed claims, as shown below:

	(in thousands)
Liabilities subject to compromise	$ 1,000,336
Pre-petition debt not classified as subject to compromise	891,259
Post-petition liabilities	245,701
Total post-petition liabilities and allowed claims	2,137,296
Reorganization value of assets immediately prior to implementation of the Plan	(1,706,885)
Excess post-petition liabilities and allowed claims	$ 430,411

Upon adoption of fresh-start accounting, the reorganization value derived from the enterprise value was allocated to our assets and liabilities based on their fair values in accordance with GAAP. The Effective Date fair values of our assets and liabilities differed materially from their recorded values as reflected on the historical balance sheet. The effects of the Plan and the application of fresh-start accounting were reflected in the financial statements as of February 28, 2017, and the related adjustments thereto were recorded on the statement of operations for the two months ended February 28, 2017.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

As a result of the adoption of fresh-start accounting and the effects of the implementation of the Plan, our condensed consolidated financial statements subsequent to February 28, 2017, are not comparable to our condensed consolidated financial statements prior to February 28, 2017.

Our condensed consolidated financial statements and related footnotes are presented with a black line division, which delineates the lack of comparability between amounts presented after February 28, 2017, and amounts presented on or prior to February 28, 2017. Our financial results for future periods following the application of fresh-start accounting will be different from historical trends and the differences may be material.

Reorganization Value

Under GAAP, a value was assigned to the equity of the emerging entity as of the date of adoption of fresh-start accounting. The Plan and disclosure statement approved by the Bankruptcy Court did not include an enterprise value or reorganization value, nor did the Bankruptcy Court approve a value as part of its confirmation of our Plan. Our reorganization value was derived from an estimate of enterprise value, or the fair value of our long-term debt, stockholders' equity and working capital. Reorganization value approximates the fair value of the entity before considering liabilities and approximates the amount a willing buyer would pay for the assets of the entity immediately after the restructuring. Based on the various estimates and assumptions necessary for fresh-start accounting, our enterprise value as of the Effective Date was estimated to be approximately $1.3 billion. The enterprise value was estimated using a sum of parts approach. The sum of parts approach represents the summation of the indicated fair value of the component assets of the Company. The fair value of our assets was estimated by relying on a combination of the income, market and cost approaches.

The estimated enterprise value, reorganization value and equity value are highly dependent on the achievement of the financial results contemplated in our underlying projections. While we believe the assumptions and estimates used to develop enterprise value and reorganization value are reasonable and appropriate, different assumptions and estimates could materially impact the analysis and resulting conclusions. Additionally, the assumptions used in estimating these values are inherently uncertain and require judgment. The primary assumptions for which there is a reasonable possibility of the occurrence of a variation that would have significantly affected the reorganization value include those regarding pricing, discount rates and the amount and timing of capital expenditures.

Our principal assets are our oil and natural gas properties. The fair values of oil and natural gas properties were estimated using a valuation technique consistent with the income approach; specifically the discounted cash flows method. We also used the market approach to corroborate the valuation results from the income approach. We used a market-based weighted average cost of capital discount rate of 10% for proved and unproved reserves, with further risk adjustment factors applied to the discounted values. The underlying commodity prices embedded in our estimated cash flows are based on the New York Mercantile Exchange ("NYMEX") forward curve pricing, adjusted for estimated location and quality differentials, as well as other factors that we believe will impact realizable prices. NYMEX forward curve pricing was used for years 2017 through 2019 and then was escalated at approximately 2.0%.

BERRY PETROLEUM CORPORATION
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(Unaudited) (Continued)

See below under "Fresh-Start Adjustments" for additional information regarding assumptions used in the valuation of our various other significant assets and liabilities.

The following table reconciles the enterprise value to the estimated reorganization value as of the Effective Date:

	(in thousands)
Enterprise value	$ 1,262,827
Plus: Fair value of non-debt liabilities	298,211
Reorganization value of the Successor's assets	$ 1,561,038

The fair value of non-debt liabilities consists of liabilities assumed by the Successor on the Effective Date and excludes the fair value of long-term debt.

Condensed Consolidated Balance Sheet

The adjustments included in the following fresh-start condensed consolidated balance sheet reflect the effects of the transactions contemplated by the Plan and executed on the Effective Date (reflected in the column "Reorganization Adjustments") as well as fair value and other required accounting adjustments resulting from the adoption of fresh-start accounting (reflected in the column "Fresh-Start Adjustments"). The explanatory notes provide additional information with regard to the adjustments recorded, methods used to determine the fair values and significant assumptions.

	As of February 28, 2017			
	Predecessor	Reorganization Adjustments (1)	Fresh-Start Adjustments	Successor
	(in thousands)			
ASSETS				
Current assets:				
Cash and cash equivalents	$ 27,407	$ 4,642(2)	$ —	$ 32,049
Accounts receivable – trade, net	60,327	—	(816)(13)	59,511
Derivative instruments	243	—	—	243
Restricted cash	128	52,732(3)	—	52,860
Other current assets	18,437	(5,558)(4)	3,873(14)	16,752
Total current assets	106,542	51,816	3,057	161,415
Noncurrent assets:				
Oil and natural gas properties (successful efforts method)	5,031,498	—	(3,787,898)(15)	1,243,600
Less accumulated depletion and amortization	(2,814,999)	—	2,814,999(15)	—
	2,216,499	—	(972,899)	1,243,600
Other property and equipment	124,379	—	(15,576)(16)	108,803
Less accumulated depreciation	(22,107)	—	22,107(16)	—
	102,272	—	6,531	108,803
Derivative instruments	57	—	—	57
Restricted cash	197,939	(197,814)(2)	—	125
Other noncurrent assets	16,076	151(5)	30,811(17)	47,038
	214,072	(197,663)	30,811	47,220
Total noncurrent assets	2,532,843	(197,663)	(935,557)	1,399,623
Total assets	$ 2,639,385	$ (145,847)	$ (932,500)	$1,561,038

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

	As of February 28, 2017			
	Predecessor	Reorganization Adjustments (1)	Fresh Start Adjustments	Successor
	(in thousands)			
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable and accrued expenses	$ 60,323	$ 68,071(6)	$ 3,818(18)	$ 132,212
Derivative instruments	5,355	—	—	5,355
Current portion of long-term debt, net	891,259	(891,259)(7)	—	—
Other accrued liabilities	7,334	(3,760)(8)	1,296(19)	4,870
Total current liabilities	964,271	(826,948)	5,114	142,437
Derivative instruments	1,710	—	—	1,710
Long-term debt	—	400,000(9)	—	400,000
Other noncurrent liabilities	170,979	—	(16,915)(20)	154,064
Liabilities subject to compromise	1,000,336	(1,000,336)(10)	—	—
Member's/stockholders' equity:				
Predecessor additional paid-in capital	2,798,714	(2,798,714)(11)	—	—
Predecessor accumulated deficit	(2,296,625)	390,860(12)	1,905,765(21)	—
Successor preferred stock	—	335,000(11)	—	335,000
Successor common stock	—	33(11)	—	33
Successor additional paid-in capital	—	3,354,258(11)	(2,826,464)(21)	527,794
Total member's/stockholders' equity	502,089	1,281,437	(920,699)	862,827
Total liabilities and equity	$ 2,639,385	$ (145,847)	$ (932,500)	$ 1,561,038

ReorganizationAdjustments:

(1) Represent amounts recorded as of the Effective Date for the implementation of the Plan, including, among other items, settlement of the Predecessor's liabilities subject to compromise, repayment of certain of the Predecessor's debt, cancellation of the Predecessor's equity, issuances of the Successor's common stock and preferred stock, proceeds received from the Berry Rights Offerings and issuance of the Successor's debt.

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(Unaudited) (Continued)

(2) Changes in cash and cash equivalents included the following:

	(in thousands)
Borrowings under the Emergence Credit Facility	$ 400,000
Proceeds from issuance of preferred stock pursuant the Berry Rights Offerings	335,000
Cash receipt from Linn Energy, LLC for ad valorem taxes	23,366
Removal of restriction on cash balance (includes $128 previously recorded as short term)	197,942
Payment to the holders of claims under the Pre-Emergence Credit Facility (including $29 in bank fees and $3,760 in interest)	(897,663)
Payment of professional fees	(992)
Payment of Emergence Credit Facility fee that was capitalized	(151)
Funding of the general unsecured claims Cash Distribution Pool	(35,000)
Funding of the professional fees escrow account	(17,860)
Changes in cash and cash equivalents	$ 4,642

(3) Primarily reflects the transfer to restricted cash to fund the Predecessor's professional fees escrow account and general unsecured claims Cash Distribution Pool.
(4) Primarily reflects the write-off of the Predecessor's deferred financing fees.
(5) Reflects the capitalization of deferred financing fees related to the Emergence Credit Facility.
(6) Net increase in accounts payable and accrued expenses reflects:

	(in thousands)
Recognition of payables for the general unsecured claims Cash Distribution Pool	$ 35,000
Recognition of payables for the professional fees escrow account	17,860
Recognition of payable for ad valorem tax liability	23,366
Net change of other professional fees payable	(8,161)
Other	6
Net increase in accounts payable and accrued expenses	$ 68,071

(7) Reflects the repayment of the Pre-Emergence Credit Facility.
(8) Reflects the payment of accrued interest on the Pre-Emergence Credit Facility.
(9) Reflects borrowings under the Emergence Credit Facility.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

(10) Settlement of liabilities subject to compromise and the resulting net gain were determined as follows:

	(in thousands)
Accounts payable and accrued expenses	$ 151,298
Accrued interest payable	15,238
Debt	833,800
Total liabilities subject to compromise	1,000,336
Funding of the general unsecured claims Cash Distribution Pool	(35,000)
Common stock to holders of Unsecured Notes and general unsecured creditors	(527,862)
Gain on settlement of liabilities subject to compromise	$ 437,474

(11) Net increase in capital accounts reflects:

	(in thousands)
Common stock to holders of Unsecured Notes and general unsecured creditors	$ 527,862
Payment of issuance costs	(35)
Dividend related to beneficial conversion feature of preferred stock	27,750
Cancellation of the Predecessor's additional paid-in capital	2,798,714
Par value of common stock	(33)
Change in additional paid-in capital	3,354,258
Proceeds from issuance of preferred stock	335,000
Par value of common stock	33
Predecessor's additional paid-in capital	(2,798,714)
Net increase in capital accounts	$ 890,577

See Note 8 for additional information on the issuances and distributions of the Successor's common and preferred stock.

(12) Net decrease in accumulated deficit reflects:

	(in thousands)
Recognition of gain on settlement of liabilities subject to compromise	$ 437,474
Recognition of professional fees	(13,667)
Write-off of deferred financing fees	(5,197)
Total reorganization items, net	418,610
Dividend related to beneficial conversion feature of preferred stock	(27,750)
Net decrease in accumulated deficit	$ 390,860

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

Fresh-Start Adjustments:

(13) Reflects a change in accounting policy from the entitlements method to the sales method for natural gas production imbalances.
(14) Primarily reflects an increase in the current portion of greenhouse gas allowances.
(15) Reflects a decrease of oil and natural gas properties, based on the methodology discussed in Note 4, and the elimination of accumulated depletion and amortization. The following table summarizes the components of oil and natural gas properties as of the Effective Date:

	Successor Fair Value	Predecessor Historical Book Value
	(in thousands)	
Proved properties	$ 712,400	$ 4,266,843
Unproved properties	531,200	764,655
	1,243,600	5,031,498
Less accumulated depletion and amortization	—	(2,814,999)
	$1,243,600	$ 2,216,499

(16) Reflects a decrease of other property and equipment and the elimination of accumulated depreciation. The following table summarizes the components of other property and equipment as of the Effective Date:

	Successor Fair Value	Predecessor Historical Book Value
	(in thousands)	
Natural gas plants and pipelines	$ 91,427	$ 109,675
Land	8,262	201
Furniture and office equipment	5,040	3,879
Buildings and leasehold improvements	2,740	5,884
Vehicles	1,156	4,542
Drilling and other equipment	178	198
	108,803	124,379
Less accumulated depreciation	—	(22,107)
	$108,803	$ 102,272

In estimating the fair value of other property and equipment, we used a combination of cost and market approaches. A cost approach was used to value our natural gas plants and pipelines, buildings, and furniture and office equipment based on current replacement costs of the assets less depreciation based on the estimated economic useful lives of the assets and age of the assets. A market approach was used to value our vehicles, drilling and other equipment, and land, using recent transactions of similar assets to determine the fair value from a market participant perspective.

(17) Primarily reflects an increase in greenhouse gas allowances of approximately $30 million and a joint venture investment of approximately $1 million. Greenhouse gas allowances were valued using a market approach based on trading prices for carbon credits on February 28, 2017. Our joint venture investment was valued based on a market approach using a market EBITDA multiple.

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(18) Reflects increases for greenhouse gas emissions liabilities of approximately $4 million and a change in accounting policy from the entitlements method to the sales method for gas production imbalances of approximately $200,000, partially offset by a decrease for the current portion of intangibles liabilities of approximately $500,000.
(19) Reflects an increase of the current portion of asset retirement obligations.
(20) Primarily reflects a decrease for asset retirement obligations of approximately $30 million and for intangible liabilities of approximately $6 million, partially offset by an increase for greenhouse gas emissions liabilities of approximately $19 million. The fair value of asset retirement obligations was estimated using valuation techniques that convert future cash flows to a single discounted amount. Significant inputs to the valuation include estimates of: (i) plug and abandon costs per well based on existing regulatory requirements; (ii) remaining life per well; (iii) future inflation factors; and (iv) a credit-adjusted risk-free interest rate. The intangible liabilities identified on the Effective Date were valued based on a combination of market and incomes approaches and will be amortized over the remaining life of the respective contract. Greenhouse gas emissions liabilities were valued using a market approach based on trading prices for greenhouse gas allowances on February 28, 2017.
(21) Reflects the cumulative impact of the fresh-start accounting adjustments discussed above and the elimination of the Predecessor's accumulated deficit.

Note 4 – Oil and Natural Gas Properties

Oil and Natural Gas Capitalized Costs

As a result of the application of fresh-start accounting, we recorded our natural gas properties at fair value as of the Effective Date. The fair values of oil and natural gas properties are measured using valuation techniques consistent with the income approach, converting future cash flows to a single discounted amount. Significant inputs used to determine the fair values of proved and unproved properties include estimates of i) reserves ii) future operating and development costs iii) future commodity prices and (iv) a market-based weighted average cost of capital rate. These inputs required significant judgments and estimates at the time of the valuation and are the most sensitive and subject to change of our inputs. The fair value was estimated using inputs characteristic of a Level 3 fair value measurement.

Aggregate capitalized costs related to oil, natural gas and NGL production activities with applicable accumulated depletion and amortization are presented below:

	Berry Corp. (Successor) September 30, 2017	Berry LLC (Predecessor) December 31, 2016
	(in thousands)	
Proved properties	$ 807,646	$ 4,262,155
Unproved properties	517,037	764,655
	1,324,683	5,026,810
Less accumulated depletion and amortization	(37,512)	(2,789,368)
	$ 1,287,171	$ 2,237,442

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(Unaudited) (Continued)

Impairment of Proved Properties

We perform impairment tests with respect to our proved properties on a field-by-field basis whenever commodity prices are subject to prolonged declines, reserves estimates change significantly or other significant events occur or management's plans change with respect to these properties in a manner that may impact our ability to realize recorded volumes. Impairment tests incorporate a number of assumptions involving expectations of undiscounted future cash flows, which can change significantly over time. These assumptions include estimates of future commodity prices, which we base on forward price curves and, when applicable, contractual prices, estimates of oil and gas reserves and estimates of future operating and development costs. The carrying values of proved properties are reduced to fair value when the expected undiscounted future cash flows of proved and risk-adjusted probable and possible reserves are less than net book value.

During the nine months ended September 30, 2016, we recorded the following non-cash impairment charges associated with proved oil and natural gas properties:

	Berry LLC (Predecessor) Nine Months Ended September 30, 2016 (in thousands)
California operating area	$ 984,288
Uinta basin operating area	26,677
East Texas operating area	6,387
	$ 1,017,352

We recorded no impairment charges for the periods ended September 30, 2017. The impairment charges in 2016 were due to a decline in commodity prices, changes in expected capital development and a decline in our estimates of proved reserves. The carrying values of the impaired proved properties were reduced to fair value, estimated using inputs characteristic of a Level 3 fair value measurement. The impairment charges are included in "impairment of long-lived assets" on the condensed consolidated statement of operations.

Impairment of Unproved Properties

The unproved amounts are not subject to depreciation, depletion and amortization until they are classified as proved properties. However, if the exploration and development work were to be unsuccessful, or management decided not to pursue development of these properties as a result of lower commodity prices, higher development and operating costs, contractual conditions or other factors, the capitalized costs of such properties would be expensed. The timing of any write-downs of unproved properties, if warranted, depends upon management's plans, the nature, timing and extent of future exploration and development activities and their results. The carrying values of unproved properties are reduced to fair value based on management's experience in similar situations and other factors such as the lease terms of the properties and the relative proportion of such properties on which proved reserves have been found in the past.

Based on the policy described above, we recorded no impairment charges for unproved properties for the periods ended September 30, 2017.

For the nine months ended September 30, 2016, we recorded non-cash impairment charges of approximately $13 million associated with unproved oil and natural gas properties in California. The impairment charges in

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2016 were due to a decline in commodity prices and changes in expected capital development. The carrying values of the impaired unproved properties were reduced to fair value, estimated using inputs characteristic of a Level 3 fair value measurement. The impairment charges are included in "impairment of long-lived assets" on the condensed consolidated statement of operations.

Note 5 – Debt

The following table summarizes our outstanding debt:

	(Successor) September 30, 2017	(Predecessor) December 31, 2016
	(in thousands)	
Current portion of debt:		
Pre-Emergence Credit Facility(1)	$ —	$ 891,259
Long-term debt:		
RBL Credit Facility(2)	$ 379,000	$ —
Liabilities subject to compromise:		
6.75% senior notes due November 2020(3)	$ —	$ 261,100
6.375% senior notes due September 2022(3)	$ —	$ 572,700

(1) Due to covenant violations, the Pre-Emergence Credit Facility was classified as current at December 31, 2016.
(2) Variable interest rates of 4.5% and 5.5% at September 30, 2017 and December 31, 2016, respectively.
(3) The Company's senior notes were classified as liabilities subject to compromise at December 31, 2016.

At September 30, 2017 and December 31, 2016, deferred debt issuance costs were approximately $21 million and $6 million. The amortization of these debt issuance costs is presented in interest expense on the unaudited condensed consolidated income statement.

Fair Value

Our debt is recorded at the carrying amount on the balance sheets. The carrying amount of the RBL Credit Facility approximates fair value because the interest rates are variable and reflective of market rates. The Predecessor's senior notes had a carrying value and fair value of $833.8 million and $522.2 million, respectively, at December 31, 2016. We used a market approach to determine the fair value of the Predecessor's senior notes using estimates based on prices quoted from third-party financial institutions, which is a Level 2 fair value measurement.

Credit Facilities

2017 Credit Facilities

On the Effective Date, we entered into a credit agreement ("the Emergence Credit Facility") with Wells Fargo Bank, N.A. as administrative agent and certain lenders. The Emergence Credit Facility provided for a revolving loan with up to $550 million in borrowing commitments, subject to a reserve borrowing base. The initial borrowing base was $550 million with a maturity date of February 27, 2022. Approximately $400 million in borrowings and $6 million in undrawn letters of credit were outstanding under the Emergence Credit Facility

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as of the Effective Date. The outstanding borrowings under the Emergence Credit Agreement bore interest at a rate equal to either (i) LIBOR plus an applicable margin ranging from 3.25% to 4.25% per annum, depending on levels of borrowing base usage and (ii) a customary base rate plus an applicable margin ranging from 2.25% to 3.25% per annum, depending on levels of borrowing base usage.

We executed amended and restated mortgages in order to achieve collateral coverage of no less than 95% of the total value of the proved reserves of our oil and natural gas properties.

On July 31, 2017, we entered into a new credit agreement ("RBL Credit Facility"), also with Wells Fargo Bank, N.A. as administrative agent and certain lenders with a commitment of $1.5 billion, subject to a reserve borrowing base, and an initial borrowing base of $500 million. This facility matures on June 29, 2022. The RBL Credit Facility was used to paydown the outstanding borrowings from the Emergence Credit Facility.

The outstanding borrowings under the RBL Credit Facility bear interest at a rate equal to either (i) a customary London interbank offered rate plus an applicable margin ranging from 2.50% to 3.5% per annum, and (ii) a customary base rate plus an applicable margin ranging from 1.5% to 2.5% per annum, in each case depending on levels of borrowing base utilization. In addition, we must pay the lenders a quarterly commitment fee of 0.50% on the average daily unused amount of the borrowing availability under the RBL Credit Facility.

The lenders under the RBL Credit Facility hold a mortgage on 85% of the present value of our proven (PDP) oil and gas reserves.

As of September 30, 2017, the financial performance covenants under our RBL Credit Facility were (i) a Maximum Leverage Ratio of 4.0 to 1.0, (ii) a Maximum Current Ratio of 1.0 to 1.0 and (iii) Other Total Debt Incurred of 2% of consolidated net tangible assets. In addition, the RBL Credit Facility currently provides that to the extent we incur unsecured indebtedness, including any amounts raised in the future, the borrowing base will be reduced by an amount equal to 25% of the amount of such unsecured debt.

As of September 30, 2017, we had approximately $100 million of available borrowing capacity under the RBL Credit Facility.

Our borrowing base is re-determined semi-annually on May 1st and November 1st. If we engage in an asset sale or hedge event that exceeds 5% of our borrowing base, then our borrowing base will be reduced by the amount of the asset sale or hedge event.

As of September 30, 2017, per our RBL Credit Facility, we were required to have in place the following commodity hedging coverage with a swap counterparty over our projected notional volumes of crude oil production from PDP reserves, on a monthly basis:

	9/30/2017	Q4 2017	2018	2019
Swaps required by RBL Credit Facility				
MBbls	467	415	1,876	1,622
Minimum price	$ 49.50	$43.38	$44.87	$45.94

At September 30, 2017, we were in compliance with all financial and other debt covenants.

The terms and conditions of all of our indebtedness are subject to additional qualifications and limitations that are set forth in the relevant governing documents.

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As of September 30, 2017 and December 31, 2016, we had letters of credit outstanding of approximately $21 million and $7 million, respectively, under our revolving credit facilities. These letters of credit were issued to support ordinary course of business marketing, insurance, regulatory and other matters.

Pre-Emergence Credit Facility and Predecessor's Senior Notes

On the Effective Date, pursuant to the terms of the Plan, all outstanding obligations under the Pre-Emergence Credit Facility and the Predecessor's senior notes were canceled. See Note 2 for additional information.

Predecessor Covenant Violations

Our filing of the Bankruptcy Petitions constituted an event of default that accelerated our obligations under the Pre-Emergence credit facility and our senior notes. For the two months ended February 28, 2017, contractual interest, which was not recorded, on the Unsecured Notes was approximately $9 million. Under the Bankruptcy Code, the creditors under these debt agreements were stayed from taking any action against the Company as a result of an event of default.

Senior Unsecured Notes Offering

In February 2018, we closed a private offering (the "2018 Notes Offering") of $400 million principal amount of 7.000% senior unsecured notes due 2026 (the "2026 Notes"), which resulted in net proceeds to us of approximately $392 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the 2018 Notes Offering to repay borrowings under the RBL Facility and will use the remainder for general corporate purposes.

Note 6 – Derivatives

We have hedged a portion of our forecasted production to reduce exposure to fluctuations in oil and natural gas prices and to assist us in complying with covenants in our RBL Credit Facility in the event of price deterioration. We also, from time to time, have entered into agreements to purchase a portion of the natural gas we require for our operations. We have also hedged our exposure to differentials in certain operating areas but do not currently hedge exposure to natural gas differentials.

Our current hedge positions consist of primarily oil swap contracts, though in the past we have also used collars and three-way collars and hedged our exposure to natural gas and natural gas liquids (NGL) price changes.

We enter into these transactions with respect to a portion of our projected production or consumption to provide an economic hedge of the risk related to the future commodity prices received or paid. We do not enter into derivative contracts for speculative trading purposes. We did not designate any of our contracts as cash flow hedges; therefore, the changes in fair value of these instruments are recorded in current earnings.

We account for our commodity derivatives at fair value on a recurring basis. We determine the fair value of these derivatives utilizing pricing models that use a variety of techniques, including market quotes and pricing analysis. Inputs to the pricing models include publicly available prices and forward price curves generated from a compilation of data gathered from third parties. We validate the data provided by third parties by understanding the pricing models used, obtaining market values from other pricing sources, analyzing pricing data in certain situations and confirming that those instruments trade in active markets.

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As part of our hedging program, we entered into a number of derivative transactions that resulted in the following WTI-based crude oil contracts as of September 30, 2017:

	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2019	FY 2020
Sold Oil Calls:							
Hedged oil volume (MBbls)	150	225	225	225	225	840	390
Weighted average price ($/Bbl)	$55.00	$55.00	$55.00	$55.00	$55.00	$57.32	$60.00
Oil positions:							
Fixed Price Swaps (NYMEX WTI):							
Hedged volume (MBbls)	1,335	1,188	1,201	1,214	1,214	4,197	—
Weighted average price ($/Bbl)	$52.54	$52.04	$52.04	$52.04	$52.04	$52.05	$ —
Oil basis differential positions:							
ICE Brent-NYMEX WTI basis swaps							
Hedged volume (MBbls)	552	360	364	368	368	1,095	—
Weighted average price ($/Bbl)	$ 1.24	$ 1.21	$ 1.21	$ 1.21	$ 1.21	$ 1.17	$ —

We earn a premium on our sold calls at the time of sale. We make settlement payments for prices above the indicated weighted-average price per barrel of WTI. If the calls expire unexercised, no payments are received.

For fixed-price swaps, we make settlement payments for prices above the indicated weighted-average price per barrel of WTI and receive settlement payments for prices below the indicated weighted average price per barrel of WTI.

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For oil basis swaps, we make settlement payments if the difference between Brent and WTI is greater than the indicated weighted average price per barrel and receive settlement payments if the difference between Brent and WTI is below the indicated weighted average price per barrel. Our commodity derivatives are measured at fair value using industry-standard models with various inputs including forward prices and all are classified as Level 2 in the required fair value hierarchy for the periods presented. The following tables present the fair values (at gross or net) of our outstanding derivatives as of September 30, 2017 and December 31, 2016:

		Successor		
		September 30, 2017		
	Balance Sheet Classification	Gross Amounts Recognized at Fair Value	Gross Amounts Offset in the Balance Sheet	Net Fair Value Presented in the Balance Sheet
		(in thousands)		
Assets				
Commodity Contracts	Current assets	$ 7,686	$ (6,715)	$ 971
Commodity Contracts	Non-current assets	13,127	(9,117)	4,010
Liabilities				
Commodity Contracts	Current liabilities	(13,541)	6,715	(6,826)
Commodity Contracts	Non-current liabilities	(16,846)	9,117	(7,729)
Total derivatives		$ (9,574)	$ —	$ (9,574)

		Predecessor		
		December 31, 2016		
	Balance Sheet Classification	Gross Amounts Recognized at Fair Value	Gross Amounts Offset in the Balance Sheet	Net Fair Value Presented in the Balance Sheet
		(in thousands)		
Assets				
Commodity Contracts	Current assets	$ 119	$ (119)	$ —
Commodity Contracts	Non-current assets	—	—	—
Liabilities				
Commodity Contracts	Current liabilities	(9,015)	119	(8,896)
Commodity Contracts	Non-current liabilities	(10,221)	—	(10,221)
Total derivatives		$ (19,117)	$ —	$ (19,117)

By using derivative instruments to economically hedge exposure to changes in commodity prices, we expose ourselves to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. When the fair value of a derivative contract is positive, the counterparty owes us, which creates credit risk. We do not receive collateral from our counterparties.

The maximum amount of loss due to credit risk that the we would incur if our counterparties failed completely to perform according to the terms of the contracts, based on the gross fair value of financial instruments, was approximately $21 million at September 30, 2017. We minimize the credit risk in derivative instruments by limiting our exposure to any single counterparty. In addition, our RBL Credit Facility prevents us from entering into hedging arrangements that are secured, except with our lenders and their affiliates that have margin call requirements, that otherwise require us to provide collateral or with a non-lender counterparty that does not have an A- or A3 credit rating or better from Standards & Poor’s or Moody’s, respectively. In accordance with our standard practice, our commodity derivatives are subject to counterparty netting under agreements governing such derivatives which mitigates the counterparty nonperformance risk somewhat.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

Gains (Losses) on Derivatives

A summary of gains and losses on the derivatives included on the statements of operations is presented below:

	Berry Corp. (Successor)	Berry, LLC (Predecessor)	
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
		(in thousands)	
Gains (losses) on oil and natural gas derivatives	$ 5,642	$ 12,886	$ 1,642
Lease operating expenses(1)	—	—	(4,605)
Total gains (losses) on oil and natural gas derivatives	$ 5,642	$ 12,886	$ (2,963)

(1) Consists of gains and (losses) on derivatives that were entered into in March 2015 to hedge exposure to differentials in consuming areas.

For the seven months ended September 30, 2017 and two months ended February 28, 2017, we received net cash settlements of approximately $10 million and $0.5 million, respectively. For the nine months ended September 30, 2016, we received net cash settlements of approximately $10 million.

Note 7 – Lawsuits, Claims, Commitments and Contingencies

In the normal course of business, we, or our subsidiary, are subject to lawsuits, environmental and other claims and other contingencies that seek, or may seek, among other things, compensation for alleged personal injury, breach of contract, property damage or other losses, punitive damages, civil penalties, or injunctive or declaratory relief.

On May 11, 2016 our predecessor company filed the Chapter 11 Proceeding. Our bankruptcy case was jointly administered with that of Linn Energy and its affiliates under the caption In re Linn Energy, LLC, et al., Case No. 16-60040. On January 27, 2017, the Bankruptcy Court approved and confirmed our plan of reorganization in the Chapter 11 Proceeding. On the Effective Date the plan became effective and was implemented. The Chapter 11 Proceeding will, however, remain pending until final resolution of all outstanding claims.

In March 2017, Wells Fargo Bank, N.A. (“Wells”), the administrative agent under the Pre-Emergence Credit Facility, filed a motion in the Bankruptcy Court seeking payment of post-petition default interest in the amount of approximately $14 million. We have posted a letter of credit for approximately this amount pending the court’s final order. The court resolved Wells’ motion in our favor on November 13, 2017. Wells filed an appeal on November 27, 2017 and the parties are awaiting the ruling of the appellate court.

We accrue reserves for currently outstanding lawsuits, claims and proceedings when it is probable that a liability has been incurred and the liability can be reasonably estimated. Reserve balances at September 30, 2017 and December 31, 2016 were not material to our balance sheets as of such dates. We also evaluate the amount of reasonably possible losses that we could incur as a result of these matters. We believe that reasonably possible losses that we could incur in excess of reserves accrued on our balance sheet would not be material to our consolidated financial position or results of operations.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

We have certain commitments under contracts, including purchase commitments for goods and services. At September 30, 2017, total purchase obligations were approximately $6.6 million, which included approximately $0.6 million and $6.0 million expected to be paid in 2017 and 2018, respectively. Included in these obligations is a commitment to invest at least $9 million to extend an existing access road in connection with our Piceance assets or construct a new access road, or to pay 50% of the difference between $12 million and the actual amount spent on such access road construction prior to the end of 2018. We have not yet obtained an extension for the road obligation, obtained access to an existing road or started construction of a new access road, and may be unable to extend the deadline and may trigger the payment obligation which, if we were unable to negotiate resolution, would reduce our capital available for investment. Subsequent to September 30, 2017, we entered into agreements to purchase natural gas for our operations in 2018 for approximately $14 million.

We, or our subsidiary, or both, have indemnified various parties against specific liabilities those parties might incur in the future in connection with transactions that they have entered into with us. As of September 30, 2017, we are not aware of material indemnity claims pending or threatened against us.

We have entered into operating lease agreements mainly for office space. Lease payments are generally expensed as part of general and administrative expenses. At September 30, 2017, future net minimum lease payments for non-cancelable operating leases (excluding oil and natural gas and other mineral leases, utilities, taxes and insurance and maintenance expense) totaled:

	Amount (in thousands)
2017	313
2018	1,268
2019	1,058
2020	—
2021	—
Thereafter	—
Total minimum lease payments	$ 2,639

Note 8 – Equity

On the Effective Date, Berry Corp. filed with the Secretary of State of the State of Delaware the Amended and Restated Certificate of Incorporation of Berry Corp. (the “Certificate of Incorporation”) and the Certificate of Designation of Series A Convertible Preferred Stock of Berry Petroleum Corporation (the “Series A Certificate of Designation”). Berry Corp. also adopted the Amended and Restated Bylaws of Berry Petroleum Corporation (the “Bylaws”) on the Effective Date. The Certificate of Incorporation provides that Berry Corp.’s authorized capital stock consists of 750,000,000 shares of common stock, par value $0.001 per share, and 250,000,000 shares of undesignated preferred stock, par value $0.001 per share.

Common Stock

The Plan contemplates the distribution of 40,000,000 shares of common stock in Berry Corp. On the Effective Date, 32,920,000 shares of common stock were distributed, pro rata, to holders of Unsecured Notes claims. The holders of Unsecured Claims are to receive their pro rata share of either (i) 7,080,000 shares of common stock or (ii) in the event that such holder irrevocably elected to receive a cash recovery, cash distributions from the Cash Distribution Pool. As of the Effective Date, all 7,080,000 shares of common stock distributable to holders of Unsecured Claims were reserved for future distributions pending resolution of disputed claims.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

Voting Rights – Each share of common stock is entitled to one vote with respect to each matter on which holders of common stock are entitled to vote. Holders of common stock do not have cumulative voting rights.

Dividend Rights – Holders of common stock will be entitled to receive dividends, if any, as may be declared from time to time by our board of directors ("Board") out of legally available funds.

Liquidation Rights – Upon liquidation, dissolution or winding up of the Company, subject to the rights of the holders of outstanding preferred stock, holders of common stock will be entitled to share ratably in the assets of the Company that are legally available for distribution to holders of common stock after payment of the Company's debts and other liabilities.

Holders of preferred stock that is outstanding may be entitled to dividend or liquidation preferences over holders of common stock, which means that the Company would have to pay distributions to holders of preferred stock before paying any distributions to holders of common stock.

Preemptive and Conversion Rights – Holders of common stock have no preemptive, conversion or other rights to subscribe for additional shares.

Preferred Stock

On the Effective Date, we issued 35,845,001 shares of preferred stock to participants in the rights offerings extended by the Company to certain holders of claims and in satisfaction of a backstop commitment fee for proceeds of $335 million.

Voting Rights – The Series A Preferred Stock is entitled to vote with holders of common stock, voting together as a single class, with respect to any and all matters subject to a stockholder vote, other than as required by law. Each share of preferred stock is entitled to a number of votes equal to the number of shares of common stock into which the share is convertible as of the record date.

Dividend Rights – Holders of Series A Preferred Stock are entitled to receive, when, as and if declared by the board of directors, cumulative dividends at a rate of 6.00% per annum either in cash or in additional shares of Series A Preferred Stock at the discretion of the board of directors. No dividends have been declared or paid as of September 30, 2017.

Liquidation Rights – If Berry Corp. liquidates, dissolves or winds up, holders of Series A Preferred Stock, in preference to any other series or class of capital stock of Berry Corp., will be entitled to share ratably in Berry Corp.'s assets that are legally available for distribution to holders of Series A Preferred Stock, after payment of its debts and other liabilities, in an amount per share of Series A Preferred Stock equal to the sum of (i) $10.00 plus (ii) any accrued and unpaid regular dividends.

The Series A Preferred Stock ranks senior to each other series or class of capital stock of Berry Corp. with respect to dividend rights, redemption rights, sale, merger or change of control preference and rights on liquidation, dissolution and winding up of the affairs of Berry Corp.

Conversion Rights – The Series A Preferred Stock may be converted into a number of shares of common stock determined by the applicable Conversion Rate (as defined in the Series A Preferred Stock Certificate of Designation (the "Certificate of Designation")) (i) at the option of the holder at any time and (ii) at the option of Berry Corp. at any time after February 28, 2021, subject to certain conditions, including that the value of a share

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

of common stock into which a share of Series A Preferred Stock is convertible is equal to or greater than $15.00, based on the volume-weighted average price for any 20-trading day period during the 30 trading days preceding conversion. From the time at which any shares of Series A Preferred Stock are deemed to have been converted, the holder of such converted shares shall no longer be entitled to receive dividends on such Series A Preferred Stock (including any prior accrued or unpaid dividend).

Beneficial Conversion Feature

A beneficial conversion feature exists when the effective conversion price of a convertible security is less than the fair value per share on the commitment date. The conversion price of the preferred stock on the date of issuance was less than the estimated fair value of the common stock distributable under the Plan. Since the preferred stock is not mandatorily redeemable and is immediately convertible, the entire amount of the beneficial conversion feature was recognized immediately. In accordance with GAAP, we recorded a non-cash deemed dividend and a corresponding increase to additional paid in capital of approximately $28 million that is attributable to this beneficial conversion feature. The financial statement impact of the deemed dividend is eliminated in the condensed consolidated statement of equity as adopting fresh-start accounting results in an entity with no beginning retained earnings or accumulated deficit.

Registration Rights Agreement

On the Effective Date, Berry Corp. entered into a registration rights agreement (the “Registration Rights Agreement”) with certain holders of the Unsecured Notes.

The Registration Rights Agreement requires Berry Corp. to file a shelf registration statement with the SEC as soon as practicable following the Effective Date. The shelf registration statement will register the resale, on a delayed or continuous basis, of all Registrable Securities that have been timely designated for inclusion by specified Holders (as defined in the Registration Rights Agreement). Generally, “Registrable Securities” includes (i) common stock issued or to be issued by Berry Corp. under the Plan, (ii) preferred stock that was purchased by the participants in the Berry Rights Offerings and (iii) common stock into which the preferred stock converts, except that “Registrable Securities” does not include securities that have been sold under an effective registration statement or Rule 144 under the Securities Act. The Registration Rights Agreement will terminate when there are no longer any Registrable Securities outstanding.

2017 Omnibus Incentive Plan

On June 15, 2017, the Company adopted the 2017 Omnibus Incentive Plan. Our stock-based compensation program currently consists of restricted stock units and performance restricted stock units available to employees and directors, which are equity-classified awards. The aggregate number of shares of common stock reserved for issuance pursuant to the 2017 Omnibus Incentive Plan is 6,876,500.

The fair value of the restricted stock units is determined based on their estimated fair market value on the date of grant. This value is amortized over the vesting and performance periods. Included in lease operating expenses and general and administrative expenses is stock-based compensation expense of $0.9 million for the seven months ended September 30, 2017.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

A summary of the status of changes of unvested shares of restricted stock units under the 2017 Omnibus Incentive Plan is presented below:

	Number of shares	Weighted average Grant Date Fair Value
	(shares in thousands)	
February 28, 2017	—	
Granted	1,243	$ 8.68
Vested	(3)	$ 10.12
Forfeited	(5)	$ 10.12
September 30, 2017	1,235	$ 8.68

As of September 30, 2017, there was approximately $9.9 million of total unrecognized compensation cost related to the unvested restricted stock units. This cost is expected to be recognized over a period of approximately three years.

Note 9 – Income taxes

On the Effective Date, upon consummation of the Plan, the Successor became a C Corporation subject to federal and state income taxes. Prior to the consummation of the Plan, the Predecessor was a limited liability company treated as a disregarded entity for federal and state income tax purposes, with the exception of the state of Texas. Limited liability companies are subject to Texas margin tax. As such, with the exception of the state of Texas, the Predecessor did not directly pay federal and state income taxes and recognition was not given to federal and state income taxes for the operations of the Predecessor.

For the seven months ended September 30, 2017 we recognized an income tax expense of $9 million. The effective tax rate was 39.9%. The effective tax rate differed from the federal statutory rate of 35% due to the impact of state taxes.

Note 10 – Supplemental Disclosures to the Condensed Consolidated Balance Sheets and Condensed Consolidated Statements of Cash Flows

Accounts receivable, net, includes allowance for doubtful accounts of $0.9 million and none at September 30, 2017 and December 31, 2016, respectively.

Other current assets reported on the condensed consolidated balance sheets included the following:

	Berry Corp (Successor) September 30, 2017	Berry LLC (Predecessor) December 31, 2016
	(in thousands)	
Prepaid expenses	$ 5,987	$ 4,149
Greenhouse gas allowances	8,508	3,087
Oil inventories, materials and supplies	4,833	3,299
Other	1,627	5,811
Other current assets	$ 20,955	$ 16,346

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

Other non-current assets at September 30, 2017 included approximately $55 million of greenhouse gas allowances.

Supplemental Cash Flow Information

Supplemental disclosures to the statements of cash flows are presented below:

	Berry Corp (Successor)	Berry LLC (Predecessor)	
	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
		(in thousands)	
Cash payments for interest, net of amounts capitalized	$ 9,586	$ 8,057	$ 46,034
Cash payments for income taxes	$ 1,994	$ —	$ 347
Cash payments for reorganization items, net	$ 1,001	$ 11,838	$ 3,138
Non-cash investing activities:			
Accrued capital expenditures	$ 1,011	$ 2,268	$ 1,975

For purposes of the condensed consolidated statements of cash flows, we consider all highly liquid short-term investments with original maturities of three months or less to be cash equivalents. At September 30, 2017, “restricted cash” of approximately $35 million was classified as a current asset on the condensed consolidated balance sheet and represents cash that will be used to settle certain claims and pay certain professional fees in accordance with the Plan. At December 31, 2016, “restricted cash” of approximately $198 million classified as a non-current asset on the condensed balance sheet represents cash that LINN Energy contributed to Berry LLC in May 2015 to post with Berry LLC’s lenders in connection with the reduction in the Pre-Emergence Credit Facility’s borrowing base, as well as associated interest income. Such restricted cash was used in February 2017 to repay a portion of the borrowings outstanding under the Pre-emergence Credit Facility, which is reflected as a non-cash transaction by the Company.

Note 11 – Related Party Transactions

The Predecessor had no employees. The employees of Linn Operating, Inc. (“Linn Operating”), a subsidiary of LINN Energy, provided services and support to the Company in accordance with an agency agreement and power of attorney between the Company and Linn Operating.

Transition Services and Separation Agreement (“TSSA”)

On the Effective Date, Berry LLC entered into the TSSA with LINN Energy and certain of its subsidiaries to facilitate the separation of Berry LLC’s operations from LINN Energy’s operations. Pursuant to the TSSA, (i) LINN Energy will continue to provide, or cause to be provided, certain administrative, management, operating, and other services and support to the Company during a transitional period following the Effective Date (the “Transition Services”), (ii) the LINN Energy debtors and Berry LLC will separate their previously combined enterprise and (iii) the LINN Energy debtors will transfer to Berry LLC certain assets that relate to Berry LLC’s properties or its business, in each case under the terms and conditions specified in the TSSA.

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

Under the TSSA, Berry LLC would reimburse LINN Energy for any and all reasonable, third-party out-of-pocket costs and expenses, without markup, actually incurred by LINN Energy, to the extent documented, in connection with providing the Transition Services. Additionally, Berry LLC would pay to LINN Energy a management fee equal to $6 million per month, prorated for partial months, during the period from the Effective Date through the last day of the second full calendar month after the Effective Date (the "Transition Period") and $2.7 million per month, prorated for partial months, from the first day following the Transition Period through the last day of the second full calendar month thereafter (the "Accounting Period"). During the Accounting Period, the scope of the Transition Services would be reduced to specified accounting and administrative functions. The Transition Period under the TSSA ended April 30, 2017, and the Accounting Period ended June 30, 2017.

For the seven months ended September 30, 2017, we incurred management fee expenses of approximately $17 million under the TSSA. Since the agreement commenced on the Effective Date, no expenses were incurred for the periods ended February 28, 2017 or December 31, 2016. At September 30, 2017 and December 31, 2016, we had a receivable due from LINN Energy of approximately $0.8 million and $3.0 million, respectively included in "accounts receivable, net" and approximately $43 million due to LINN Energy included in "liabilities subject to compromise" on the condensed balance sheet at December 31, 2016.

Note 12 – Acquisitions and Divestitures

On July 31, 2017, we divested our 78% working interest in the Hugoton natural gas field located in Southwest Kansas and the Oklahoma Panhandle because we deemed it a non-core asset. This resulted in approximately $235 million of proceeds and a $21 million gain, subject to final settlement adjustments.

Also on July 31, 2017, we acquired the remaining 84% working interest in the South Belridge Hill property located in Kern County, California, in which we previously owned a 16% working interest. We purchased the properties for approximately $257 million, subject to final settlement adjustments.

Note 13- Earnings Per Share

Our Predecessor Company was organized as a limited liability company and, as such, did not issue any stock. Accordingly, we have not presented earnings per share calculations for the Predecessor Company periods.

We calculate basic earnings (loss) per share by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during each period. Common shares issuable upon the satisfaction of certain conditions pursuant to a contractual agreement, such as those shares contemplated by the Plan, are considered common shares outstanding and are included in the computation of net income (loss) per share. Accordingly, the 40 million shares of common stock contemplated by the Plan, without regard to actual issuance dates, were included in the computation of net income (loss) per share for the seven months ended September 30, 2017.

We compute basic and diluted earnings per share (EPS) using the two-class method required for participating securities. Certain restricted stock units and performance-based restricted stock units (RSUs) issued to our employees and non-employee directors, are considered participating securities when such shares have non-forfeitable dividend rights at the same rate as common stock. The impact of such participating securities in the periods presented below was not material. In the basic EPS calculation below, the weighted-average number of common shares outstanding excludes outstanding shares related to unvested stock awards. For diluted EPS, the

BERRY PETROLEUM CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited) (Continued)

basic shares outstanding are adjusted by adding potentially dilutive securities. No incremental shares of potentially dilutive RSUs were included in the diluted EPS calculation as their effect was antidilutive under the treasury stock method.

The convertible preferred stock is not a participating security, therefore, we calculated diluted EPS using the "if-converted' method where the preferred dividends are added back to the numerator and the convertible preferred stock is assumed to be converted at the beginning of the period. No incremental shares of convertible preferred stock were included in the diluted EPS calculation as their effect was antidilutive under the "if-converted" method.

	Seven Months Ended September 30, 2017	Two Months Ended February 28, 2017	Nine Months Ended September 30, 2016
	(in thousands except per share amounts)		
Basic EPS calculation			
Net income	$ 13,812	n/a	n/a
less: Undeclared dividends on Series A preferred stock	(12,681)	n/a	n/a
Net income available to common stockholders	$ 1,131	n/a	n/a
Weighted-average shares of common stock outstanding	32,920	n/a	n/a
Shares of common stock distributable to holders of Unsecured Claims (note 2)	7,080	n/a	n/a
Weighted-average common shares outstanding-basic	40,000	n/a	n/a
Basic EPS	$ 0.03	n/a	n/a
Diluted EPS calculation			
Net income	$ 13,812	n/a	n/a
less: Undeclared dividends on Series A preferred stock	(12,681)	n/a	n/a
Net income available to common stockholders	$ 1,131	n/a	n/a
Weighted-average shares of common stock outstanding	32,920	n/a	n/a
Shares of common stock distributable to holders of Unsecured Claims (note 2)	7,080	n/a	n/a
Weighted-average common shares outstanding-basic	40,000	n/a	n/a
Dilutive effect of potentially dilutive securities	—	n/a	n/a
Weighted-average common shares outstanding-diluted	40,000	n/a	n/a
Diluted EPS	$ 0.03	n/a	n/a

Report of Independent Registered Public Accounting Firm

The Board of Directors

Berry Petroleum Corporation:

We have audited the accompanying balance sheets of Berry Petroleum Company, LLC (Debtor-in-Possession) (the "Company") as of December 31, 2016 and 2015, and the related statements of operations, member's equity, and cash flows for each of the years in the two-year period ended December 31, 2016. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Berry Petroleum Company, LLC (Debtor-in-Possession) as of December 31, 2016 and 2015, and the results of their operations and their cash flows for each of the years in the two-year period ended December 31, 2016, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 2 to the financial statements, the United States Bankruptcy Court for the Southern District of Texas confirmed the Company's Plan of Reorganization (the "Plan") on January 27, 2017. Confirmation of the Plan resulted in the discharge of debt of the Company and substantially altered rights and interests of debt and equity security holders as provided for in the Plan. The Plan was substantially consummated on February 28, 2017 and the Company emerged from bankruptcy at which time it became a wholly-owned subsidiary of Berry Petroleum Corporation in accordance with the Plan. In connection with its emergence from bankruptcy, the Company adopted fresh-start accounting as of February 28, 2017.

/s/ KPMG LLP

Houston, Texas
May 15, 2017

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

BALANCE SHEETS

	December 31, 2016	2015
	(in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 30,483	$ 1,023
Accounts receivable – trade, net	51,175	46,053
Derivative instruments	—	13,218
Other current assets	16,346	20,897
Total current assets	98,004	81,191
Noncurrent assets:		
Oil and natural gas properties (successful efforts method)	5,026,810	5,011,061
Less accumulated depletion and amortization	(2,789,368)	(1,596,165)
	2,237,442	3,414,896
Other property and equipment	123,460	111,495
Less accumulated depreciation	(20,759)	(12,522)
	102,701	98,973
Restricted cash	197,793	250,359
Other noncurrent assets	16,110	16,057
	213,903	266,416
Total noncurrent assets	2,554,046	3,780,285
Total assets	$ 2,652,050	$ 3,861,476
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 65,858	$ 125,748
Derivative instruments	8,896	2,241
Current portion of long-term debt	891,259	873,175
Other accrued liabilities	3,140	16,735
Total current liabilities	969,153	1,017,899
Derivative instruments	10,221	—
Long-term debt, net	—	845,368
Other noncurrent liabilities	169,160	212,050
Liabilities subject to compromise	1,000,553	—
Commitments and contingencies (Note 9)		
Member's equity:		
Additional paid-in capital	2,798,713	2,798,713
Accumulated deficit	(2,295,750)	(1,012,554)
	502,963	1,786,159
Total liabilities and member's equity	$ 2,652,050	$ 3,861,476

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

STATEMENTS OF OPERATIONS

	Year Ended December 31,	
	2016	2015
	(in thousands)	
Revenues and other:		
Oil, natural gas and natural gas liquids sales	$ 392,345	$ 575,031
Electricity sales	23,204	24,544
Gains (losses) on oil and natural gas derivatives	(15,781)	29,175
Marketing revenues	3,653	5,709
Other revenues	7,570	7,195
	410,991	641,654
Expenses:		
Lease operating expenses	185,056	245,155
Electricity generation expenses	17,133	18,057
Transportation expenses	41,619	52,160
Marketing expenses	3,100	3,809
General and administrative expenses	79,236	85,993
Depreciation, depletion and amortization	178,223	251,371
Impairment of long-lived assets	1,030,588	853,810
Taxes, other than income taxes	25,113	70,593
Gains on sale of assets and other, net	(109)	(1,919)
	1,559,959	1,579,029
Other income and (expenses):		
Interest expense, net of amounts capitalized	(61,268)	(85,818)
Gain on extinguishment of debt	—	11,209
Other, net	(182)	(3,261)
	(61,450)	(77,870)
Reorganization items, net	(72,662)	—
Loss before income taxes	(1,283,080)	(1,015,245)
Income tax expense (benefit)	116	(68)
Net loss	$(1,283,196)	$(1,015,177)

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

STATEMENTS OF MEMBER'S EQUITY

	Additional Paid-In Capital	Accumulated Income (Deficit)	Total Member's Equity
		(in thousands)	
December 31, 2014	2,416,381	2,623	2,419,004
Capital contributions from affiliate	471,278	—	471,278
Distributions to affiliate	(88,946)	—	(88,946)
Net loss	—	(1,015,177)	(1,015,177)
December 31, 2015	2,798,713	(1,012,554)	1,786,159
Net loss	—	(1,283,196)	(1,283,196)
December 31, 2016	$ 2,798,713	$ (2,295,750)	$ 502,963

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2016	2015
	(in thousands)	
Cash flow from operating activities:		
Net loss	$(1,283,196)	$(1,015,177)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation, depletion and amortization	178,223	251,371
Impairment of long-lived assets	1,030,588	853,810
Gain on extinguishment of debt	—	(11,209)
Amortization and write-off of deferred financing fees	1,849	3,750
Gains on sale of assets and other, net	(1,064)	(961)
Deferred income taxes	(11)	(68)
Reorganization items, net	43,289	—
Derivatives activities:		
Total (gains) losses	20,386	(36,068)
Cash settlements	8,007	68,770
Cash settlements on canceled derivatives	1,701	—
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable – trade, net	(6,556)	59,941
Decrease in other assets	1,962	18,724
Increase (decrease) in accounts payable and accrued expenses	22,101	(62,755)
Decrease in other liabilities	(4,934)	(7,610)
Net cash provided by operating activities	12,345	122,518
Cash flow from investing activities:		
Development of oil and natural gas properties	(21,988)	(32,633)
Purchases of other property and equipment	(12,808)	(17,741)
Settlement of advance to affiliate	—	129,217
Decrease in restricted cash	53,418	—
Proceeds from sale of properties and equipment and other	194	22,525
Net cash provided by investing activities	18,816	101,368
Cash flow from financing activities:		
Repayments of debt	(1,701)	(355,418)
Financing fees and other, net	—	(1,363)
Capital contributions from affiliate	—	221,278
Distributions to affiliate	—	(88,946)
Net cash used in financing activities	(1,701)	(224,449)
Net increase (decrease) in cash and cash equivalents	29,460	(563)
Cash and cash equivalents:		
Beginning	1,023	1,586
Ending	$ 30,483	$ 1,023

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS

Note 1 – Basis of Presentation and Significant Accounting Policies

"Berry Corp." refers to Berry Petroleum Corporation, a Delaware corporation that is the sole member of Berry LLC.

"Berry LLC" refers to Berry Petroleum Company, LLC, a Delaware limited liability company that is wholly owned by Berry Corp.

As the context may require, the "Company" refers to (i) Berry Corp. and its consolidated subsidiaries, including Berry LLC, as a whole, or (ii) either Berry Corp. or Berry LLC on an individual basis. References to historical activities of the "Company" prior to February 28, 2017, refer to activities of Berry LLC.

"LINN Energy" refers to Linn Energy, LLC, a Delaware limited liability company that formerly wholly owned, indirectly, Berry LLC.

Subsequent events have been evaluated through May 15, 2017, the date these financial statements were issued. Any material subsequent events that occurred prior to such date have been properly recognized or disclosed in the financial statements and related footnotes.

Nature of Business

Berry Corp. is an independent oil and natural gas company that incorporated under Delaware law on February 13, 2017. Berry Corp. operates through its wholly-owned subsidiary, Berry LLC.

Berry LLC's predecessor, Berry Petroleum Company, was publicly traded from 1987 until December 2013. On December 16, 2013, an affiliate of LINN Energy, LinnCo, LLC ("LinnCo"), acquired all of the outstanding common shares of Berry Petroleum Company and contributed Berry Petroleum Company to LINN Energy in exchange for LINN Energy units. In connection with its acquisition by LINN Energy, Berry Petroleum Company was converted from a Delaware corporation into a Delaware limited liability company and changed its name to "Berry Petroleum Company, LLC." Linn Acquisition Company, LLC, a direct subsidiary of LINN Energy, became Berry LLC's sole member.

As discussed further in Note 2, on May 11, 2016 (the "Petition Date"), LINN Energy, LinnCo and Berry LLC (collectively, the "Debtors"), filed voluntary petitions ("Bankruptcy Petitions") for relief under Chapter 11 of the U.S. Bankruptcy Code ("Bankruptcy Code") in the U.S. Bankruptcy Court for the Southern District of Texas ("Bankruptcy Court"). The Debtors' Chapter 11 cases are being administered jointly under the caption In re Linn Energy, LLC., et al., Case No. 16-60040. During the pendency of the Chapter 11 proceedings, the Debtors operated their businesses as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code. The Company emerged from bankruptcy as a stand-alone company separate from LINN Energy effective February 28, 2017.

The Company's properties are located in the United States ("U.S."), in Kansas and the Oklahoma Panhandle (Hugoton basin), California (San Joaquin Valley and Los Angeles basins), Utah (Uinta basin), Colorado (Piceance basin) and east Texas.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Principles of Reporting

The Company presents its financial statements in accordance with U.S. generally accepted accounting principles ("GAAP"). Investments in noncontrolled entities over which the Company exercises significant influence are accounted for under the equity method.

The financial statements for previous periods include certain reclassifications that were made to conform to current presentation. Such reclassifications have no impact on previously reported net income (loss), member's equity or cash flows.

Bankruptcy Accounting

The financial statements have been prepared as if the Company is a going concern and reflect the application of Accounting Standards Codification 852 "Reorganizations" ("ASC 852"). ASC 852 requires that the financial statements, for periods subsequent to the Chapter 11 filing, distinguish transactions and events that are directly associated with the reorganization from the ongoing operations of the business. Accordingly, certain expenses, gains and losses that are realized or incurred in the bankruptcy proceedings are recorded in "reorganization items, net" on the Company's statements of operations. In addition, prepetition unsecured and under-secured obligations that may be impacted by the bankruptcy reorganization process have been classified as "liabilities subject to compromise" on the Company's balance sheet at December 31, 2016. These liabilities are reported at the amounts expected to be allowed as claims by the Bankruptcy Court, although they may be settled for less.

The accompanying financial statements do not purport to reflect or provide for the consequences of the Chapter 11 proceedings. In particular, the financial statements do not purport to show: (i) the realizable value of assets on a liquidation basis or their availability to satisfy liabilities; (ii) the amount of prepetition liabilities that may be allowed for claims or contingencies, or the status and priority thereof; (iii) the effect on member's equity accounts of any changes that may be made to the Company's capitalization; or (iv) the effect on operations of any changes that may be made to the Company's business.

Use of Estimates

The preparation of the accompanying financial statements in conformity with GAAP requires management of the Company to make estimates and assumptions about future events. These estimates and the underlying assumptions affect the amount of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenues and expenses. The estimates that are particularly significant to the financial statements include estimates of the Company's reserves of oil, natural gas and natural gas liquids ("NGL"), future cash flows from oil and natural gas properties, depreciation, depletion and amortization, asset retirement obligations, certain revenues and operating expenses, fair values of commodity derivatives and fair values of assets acquired and liabilities assumed. As fair value is a market-based measurement, it is determined based on the assumptions that market participants would use. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. Such estimates and assumptions are adjusted when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from these estimates. Any changes in estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Recently Issued Accounting Standards

In November 2016, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU") that is intended to address the diversity in practice in the classification and presentation of changes in restricted cash on the statement of cash flows. This ASU will be applied retrospectively as of the date of adoption and is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years (early adoption permitted). The Company is currently evaluating the impact of the adoption of this ASU on its financial statements and related disclosures. The adoption of this ASU is expected to result in the inclusion of restricted cash in the beginning and ending balances of cash on the statements of cash flows and disclosure reconciling cash and cash equivalents presented on the balance sheets to cash, cash equivalents and restricted cash on the statements of cash flows.

In February 2016, the FASB issued an ASU that is intended to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet. This ASU will be applied retrospectively as of the date of adoption and is effective for fiscal years beginning after December 15, 2018, and interim periods within those years (early adoption permitted). The Company is currently evaluating the impact of the adoption of this ASU on its financial statements and related disclosures. The Company expects the adoption of this ASU to impact its balance sheets resulting from an increase in both assets and liabilities related to the Company's leasing activities.

In November 2015, the FASB issued an ASU that is intended to simplify the presentation of deferred taxes by requiring that all deferred taxes be classified as noncurrent, presented as a single noncurrent amount for each tax-paying component of an entity. The ASU is effective for fiscal years beginning after December 15, 2016; however, the Company early adopted it on January 1, 2016, on a retrospective basis. The adoption of this ASU did not have a material impact on the Company's financial statements or related disclosures.

In April 2015, the FASB issued an ASU that is intended to simplify the presentation of debt issuance costs by requiring that debt issuance costs related to a recognized debt liability be presented on the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The Company adopted this ASU on January 1, 2016, on a retrospective basis. The adoption of this ASU had no impact on the Company's financial statements or related disclosures, as the Company's only debt issuance costs relate to the Prior Credit Facility, as defined in Note 2, which were not reclassified.

In August 2014, the FASB issued an ASU that provides guidance about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. This ASU is effective for the annual period ending after December 15, 2016, and for the annual periods and interim periods thereafter, and the Company adopted this ASU on December 31, 2016. The adoption of this ASU had no impact on the Company's financial statements or related disclosures.

In May 2014, the FASB issued an ASU that is intended to improve and converge the financial reporting requirements for revenue from contracts with customers. This ASU is effective for fiscal years beginning after December 15, 2017, and interim periods within those years (early adoption permitted for fiscal years beginning after December 15, 2016, including interim periods within that year). The Company does not plan on early adopting this ASU. The Company is currently evaluating the impact of the adoption of this ASU on its financial statements and related disclosures.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Cash Equivalents

For purposes of the statements of cash flows, the Company considers all highly liquid short-term investments with original maturities of three months or less to be cash equivalents.

Accounts Receivable — Trade, Net

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The Company maintains an allowance for doubtful accounts for estimated losses inherent in its accounts receivable portfolio. In establishing the required allowance, management considers historical losses, current receivables aging, and existing industry and national economic data. The Company reviews its allowance for doubtful accounts monthly. Past due balances over 90 days and over a specified amount are reviewed individually for collectibility. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential recovery is remote. The Company had no allowance for doubtful accounts at December 31, 2016, or December 31, 2015.

Inventories

Materials, supplies and commodity inventories are valued at the lower of average cost or market. Inventories also include California carbon allowance instruments.

Oil and Natural Gas Properties

Proved Properties

The Company accounts for oil and natural gas properties in accordance with the successful efforts method. In accordance with this method, all leasehold and development costs of proved properties are capitalized and amortized on a unit-of-production basis over the remaining life of the proved reserves and proved developed reserves, respectively. Costs of retired, sold or abandoned properties that constitute a part of an amortization base are charged or credited, net of proceeds, to accumulated depreciation, depletion and amortization unless doing so significantly affects the unit-of-production amortization rate, in which case a gain or loss is recognized currently. Gains or losses from the disposal of other properties are recognized currently. Expenditures for maintenance and repairs necessary to maintain properties in operating condition are expensed as incurred. Estimated dismantlement and abandonment costs are capitalized, net of salvage, at their estimated net present value and amortized on a unit-of-production basis over the remaining life of the related proved developed reserves. The Company capitalizes interest on borrowed funds related to its share of costs associated with the drilling and completion of new oil and natural gas wells. Interest is capitalized only during the periods in which these assets are brought to their intended use. The Company capitalized interest costs of approximately $1 million and $2 million for the years ended December 31, 2016, and December 31, 2015, respectively.

The Company evaluates the impairment of its proved oil and natural gas properties on a field-by-field basis whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The carrying values of proved properties are reduced to fair value when the expected undiscounted future cash flows of proved and risk-adjusted probable and possible reserves are less than net book value. The fair values of proved properties are measured using valuation techniques consistent with the income approach, converting future cash flows to a single discounted amount. Significant inputs used to determine the fair values of proved properties include estimates of: (i) reserves; (ii) future operating and development costs; (iii) future commodity prices; and (iv) a market-based weighted average cost of capital rate. These inputs require significant judgments and estimates by the Company’s management at the time of the valuation and are the most sensitive and subject to

change. The underlying commodity prices embedded in the Company's estimated cash flows are the product of a process that begins with New York Mercantile Exchange ("NYMEX") forward curve pricing, adjusted for estimated location and quality differentials, as well as other factors that Company management believes will impact realizable prices.

Based on the analysis described above, the Company recorded the following noncash impairment charges associated with proved oil and natural gas properties:

	Year Ended December 31,	
	2016	2015
	(in thousands)	
California operating area	$ 984,288	$ 537,511
Uinta basin operating area	26,677	111,339
East Texas operating area	6,387	78,437
Piceance basin operating area	—	55,344
	$ 1,017,352	$ 782,631

The impairment charges in 2016 and 2015 were due to a decline in commodity prices, changes in expected capital development and a decline in the Company's estimates of proved reserves. The carrying values of the impaired proved properties were reduced to fair value, estimated using inputs characteristic of a Level 3 fair value measurement. The impairment charges are included in "impairment of long-lived assets" on the statements of operations.

Unproved Properties

Costs related to unproved properties include costs incurred to acquire unproved reserves. Because these reserves do not meet the definition of proved reserves, the related costs are not classified as proved properties. Unproved leasehold costs are capitalized and amortized on a composite basis if individually insignificant, based on past success, experience and average lease-term lives. Individually significant leases are reclassified to proved properties if successful and expensed on a lease by lease basis if unsuccessful or the lease term expires. Unamortized leasehold costs related to successful exploratory drilling are reclassified to proved properties and depleted on a unit-of-production basis.

The Company evaluates the impairment of its unproved oil and natural gas properties whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The carrying values of unproved properties are reduced to fair value based on management's experience in similar situations and other factors such as the lease terms of the properties and the relative proportion of such properties on which proved reserves have been found in the past.

Based on the analysis described above, for the years ended December 31, 2016, and December 31, 2015, the Company recorded noncash impairment charges of approximately $13 million and $71 million, respectively, associated with unproved oil and natural gas properties in California.

The impairment charges in 2016 and 2015 were primarily due to a decline in commodity prices and changes in expected capital development. The carrying values of the impaired unproved properties were reduced to fair value, estimated using inputs characteristic of a Level 3 fair value measurement. The impairment charges are included in "impairment of long-lived assets" on the statements of operations.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Other Property and Equipment

Other property and equipment includes natural gas gathering systems, pipelines, furniture and office equipment, buildings, vehicles, information technology equipment, software and other fixed assets. These assets are recorded at cost and are depreciated using the straight-line method based on expected lives ranging from ten to 39 years for buildings and leasehold improvements and three to 30 years for plant and pipeline, drilling and other equipment.

Restricted Cash

At December 31, 2016, and December 31, 2015, "restricted cash" on the balance sheets includes approximately $198 million and $250 million, respectively, related to the $250 million that LINN Energy contributed to Berry LLC in May 2015 to post with Berry LLC's lenders in connection with the reduction in the Prior Credit Facility's borrowing base, as well as associated interest income.

Derivative Instruments

Historically, the Company has hedged a portion of its forecasted production to reduce exposure to fluctuations in oil and natural gas prices. The Company also, from time to time, has entered into derivative contracts for a portion of its natural gas consumption. The current direct NGL hedging market is constrained in terms of price, volume, duration and number of counterparties, which limits the Company's ability to effectively hedge its NGL production. The Company has also hedged its exposure to differentials in certain operating areas but does not currently hedge exposure to oil or natural gas differentials.

The Company has historically entered into commodity hedging transactions primarily in the form of swap contracts, collars and three-way collars, and may enter into put option contracts in the future. The Company enters into these transactions with respect to a portion of its projected production or consumption to provide an economic hedge of the risk related to the future commodity prices received or paid. The Company does not enter into derivative contracts for trading purposes.

A swap contract specifies a fixed price that the Company will receive from the counterparty as compared to floating market prices, and on the settlement date the Company will receive or pay the difference between the swap price and the market price. Collar contracts specify floor and ceiling prices to be received as compared to floating market prices. Three-way collar contracts combine a short put (the lower price), a long put (the middle price) and a short call (the higher price) to provide a higher ceiling price as compared to a regular collar and limit downside risk to the market price plus the difference between the middle price and the lower price if the market price drops below the lower price. A put option requires the Company to pay the counterparty a premium equal to the fair value of the option at the purchase date and receive from the counterparty the excess, if any, of the fixed price floor over the market price at the settlement date.

Derivative instruments are recorded at fair value and included on the balance sheets as assets or liabilities. The Company did not designate any of its contracts as cash flow hedges; therefore, the changes in fair value of these instruments are recorded in current earnings. The Company determines the fair value of its oil and natural gas derivatives utilizing pricing models that use a variety of techniques, including market quotes and pricing analysis. Inputs to the pricing models include publicly available prices and forward price curves generated from a compilation of data gathered from third parties. Company management validates the data provided by third parties by understanding the pricing models used, obtaining market values from other pricing sources, analyzing pricing data in certain situations and confirming that those instruments trade in active markets. Assumed credit

risk adjustments, based on published credit ratings and public bond yield spreads are applied to the Company's commodity derivatives. See Note 5 and Note 6 for additional details about the Company's derivative financial instruments.

Other Current Assets

"Other current assets" reported on the balance sheets include the following:

	December 31,	
	2016	2015
	(in thousands)	
Prepaid expenses	$ 4,149	$ 1,903
California carbon allowance inventories	3,087	7,073
Oil inventories	3,299	3,446
Deferred financing fees	5,613	8,108
Other	198	367
Other current assets	$16,346	$20,897

Deferred Financing Fees

The Company incurred legal and bank fees related to the issuance of debt. At December 31, 2016, and December 31, 2015, net deferred financing fees of approximately $6 million and $8 million, respectively, are included in "other current assets" on the balance sheets. These debt issuance costs are amortized over the life of the debt agreement. Upon early retirement or amendment to the debt agreement, certain fees are written off to expense.

For the years ended December 31, 2016, and December 31, 2015, amortization expense of approximately $2 million and $3 million, respectively, is included in "interest expense, net of amounts capitalized" on the statements of operations. For the year ended December 31, 2015, approximately $3 million were written off to expense and included in "other, net" on the statements of operations related to amendments of the Prior Credit Facility. No fees were written off to expense during the year ended December 31, 2016.

Business and Credit Concentrations

The Company maintains its cash in bank deposit accounts which at times may exceed federally insured amounts. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on its cash.

The Company sells oil and natural gas to various types of customers, including pipelines, refineries and other oil and natural gas companies, and electricity to utility companies. Based on the current demand for oil and natural gas and the availability of other purchasers, the Company believes that the loss of any one of its major purchasers would not have a material adverse effect on its financial condition, results of operations or net cash provided by operating activities.

For the year ended December 31, 2016, the Company's two largest customers represented approximately 34% and 28% of the Company's oil, natural gas and NGL sales. For the year ended December 31, 2015, the Company's three largest customers represented approximately 24%, 23% and 20% of the Company's oil, natural gas and NGL sales. For the years ended December 31, 2016, and December 31, 2015, 100% of electricity sales were attributable to two customers.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

At December 31, 2016, trade accounts receivable from two customers represented approximately 29% and 21% of the Company's receivables. At December 31, 2015, trade accounts receivable from three customers represented approximately 24%, 22% and 11% of the Company's receivables.

Revenue Recognition

Revenues representative of the Company's ownership interest in its properties are presented on a gross basis on the statements of operations. Sales of oil, natural gas and NGL are recognized when the product has been delivered to a custody transfer point, persuasive evidence of a sales arrangement exists, the rights and responsibility of ownership pass to the purchaser upon delivery, collection of revenue from the sale is reasonably assured and the sales price is fixed or determinable. The electricity and natural gas the Company produces and uses in its operations are not included in revenues. In addition, the Company engages in the purchase, gathering and transportation of third-party natural gas and subsequently markets such natural gas to independent purchasers under separate arrangements. As such, the Company separately reports third-party marketing revenues and marketing expenses.

Electricity Cost Allocation

The Company owns three cogeneration facilities. Its investment in cogeneration facilities has been for the express purpose of lowering steam costs in its heavy oil operations in California and securing operating control of the respective steam generation. Cogeneration, also called combined heat and power, extracts energy from the exhaust of a turbine, which would otherwise be wasted, to produce steam. Such cogeneration operations also produce electricity. The Company allocates steam costs to lease operating expenses based on the conversion efficiency of the cogeneration facilities plus certain direct costs of producing steam.

Fair Value of Financial Instruments

The carrying values of the Company's receivables, payables and Prior Credit Facility are estimated to be substantially the same as their fair values at December 31, 2016, and December 31, 2015. See Note 4 for fair value disclosures related to the Company's other outstanding debt. As noted above, the Company carries its derivative financial instruments at fair value. See Note 6 for details about the fair value of the Company's derivative financial instruments.

Income Taxes

Prior to the consummation of the Plan, as defined below, the Company was a limited liability company treated as a disregarded entity for federal and state income tax purposes, with the exception of the state of Texas, in which income tax liabilities and/or benefits of the Company are passed through to its members. Limited liability companies are subject to Texas margin tax. As such, with the exception of the state of Texas, the Company was not a taxable entity, it did not directly pay federal and state income taxes and recognition was not given to federal and state income taxes for the operations of the Company.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Supplemental Disclosures to Statements of Cash Flows

Supplemental disclosures to the statements of cash flows are presented below:

	Year Ended December 31,	
	2016	2015
	(in thousands)	
Cash payments for interest, net of amounts capitalized	$ 57,759	$ 86,226
Cash payments for income taxes	$ 347	$ —
Cash payments for reorganization items, net	$ 19,116	$ —
Noncash investing activities:		
Accrued capital expenditures	$ 2,266	$ 10,551

For the year ended December 31, 2015, LINN Energy spent approximately $165 million on capital expenditures in respect of Berry LLC's operations. Berry LLC recorded the $165 million to oil and natural gas properties with an offset to the advance due from LINN Energy. On September 30, 2015, LINN Energy repaid in full the remaining advance of approximately $129 million to Berry LLC.

In May 2015, LINN Energy made a capital contribution of $250 million to Berry LLC which was deposited on Berry LLC's behalf and posted as restricted cash with Berry LLC's lenders in connection with the reduction of its borrowing base.

During the year ended December 31, 2016, approximately $20 million in letters of credit draws were made from the Prior Credit Facility as requested by certain vendors owed prepetition amounts from the Company.

Note 2 – Chapter 11 Proceedings and Covenant Violations

Chapter 11 Proceedings

On the Petition Date, the Debtors filed Bankruptcy Petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The Debtors' Chapter 11 cases are being administered jointly under the caption In re Linn Energy, LLC., et al., Case No. 16-60040.

In December 2016, Berry LLC and Linn Acquisition Company, LLC, on the one hand, and the LINN and its other affiliated debtors, on the other hand, filed separate plans of reorganization with the Bankruptcy Court. The "Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC" (the "Plan") was filed on December 13, 2016. On January 27, 2017, the Bankruptcy Court entered its confirmation order (the "Confirmation Order") approving and confirming the Plan.

On February 28, 2017, the Plan became effective and was implemented in accordance with its terms. Among other transactions, Linn Acquisition Company, LLC transferred 100% of Berry LLC's outstanding membership interests to Berry Corp. As a result, Berry LLC emerged from bankruptcy as a wholly-owned subsidiary of Berry Corp., separate from LINN Energy and its affiliates.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Plan of Reorganization

On the Effective Date, the Company consummated the following reorganization transactions in accordance with the Plan:

- Linn Acquisition Company, LLC transferred 100% of the outstanding membership interests in Berry LLC to Berry Corp. pursuant to an Assignment Agreement. Under the Assignment Agreement, Berry LLC became a wholly-owned operating subsidiary of Berry Corp.
- The holders of claims under the Company's Second Amended and Restated Credit Agreement, dated November 15, 2010, by and among Berry LLC, as borrower, Wells Fargo Bank, N.A., as administrative agent, and certain lenders, (as amended, the "Prior Credit Facility"), received (i) their pro rata share of a cash paydown and (ii) pro rata participation in the Credit Facility. As a result, all outstanding obligations under the Prior Credit Facility were canceled and the agreements governing these obligations were terminated.
- Berry LLC, as borrower, entered into the Credit Facility with the holders of claims under the Prior Credit Facility, as lenders, and Wells Fargo Bank, N.A, as administrative agent, providing for a new reserve-based revolving loan with up to $550 million in borrowing commitments. For additional information about the Credit Facility, see "Financing Activities" in "Management's Discussion and Analysis of Financial Condition and Results of Operations."
- The holders of the Company's 6.75% senior notes due 2020, issued by Berry LLC pursuant to a Second Supplemental Indenture, dated November 1, 2010, and 6.375% senior notes due 2022, issued by Berry LLC pursuant to a Third Supplemental Indenture, dated March 9, 2012 (collectively, the "Unsecured Notes"), received their pro rata share of either (i) a pool of shares of common stock in Berry Corp. or, for those non-accredited investors holding the Unsecured Notes that irrevocably elected to receive a cash recovery, cash distributions from a $35 million cash distribution pool (the "Cash Distribution Pool") and (ii) specified rights to participate in a two-tranche offering of rights to purchase Series A Preferred Stock at an aggregate purchase price of $335 million (as further defined in the Plan, the "Berry Rights Offerings"). As a result, all outstanding obligations under the Unsecured Notes were canceled and the indentures and related agreements governing these obligations were terminated.
- The holders of unsecured claims against the Company (other than the Unsecured Notes) (the "Unsecured Claims") received their pro rata share of either (i) a pool of shares of common stock in Berry Corp. or (ii) in the event that such holder irrevocably elected to receive a cash recovery, cash distributions from the Cash Distribution Pool. As a result, all outstanding obligations under the Unsecured Notes and the indentures governing such obligations were canceled and the obligations arising from the Unsecured Claims were extinguished.
- Berry LLC settled all intercompany claims against the LINN Energy and its affiliates pursuant to a settlement agreement approved as part of the Plan and the Confirmation Order. The settlement agreement provided Berry LLC with a $25 million general unsecured claim against LINN Energy.

Bank RSA

Prior to the Petition Date, on May 10, 2016, the Debtors entered into a restructuring support agreement ("Bank RSA") with certain holders ("Consenting Bank Creditors") collectively holding or controlling at least 66.67% by aggregate outstanding principal amounts under (i) the Prior Credit Facility and (ii) LINN Energy's Sixth Amended and Restated Credit Agreement ("LINN Credit Facility"). The Bank RSA set forth, subject to certain conditions, the commitment of the Consenting Bank Creditors to support a comprehensive restructuring

of the Debtors' long-term debt. The Bank RSA provided that the Consenting Bank Creditors would support the use of Berry LLC's cash collateral under specified terms and conditions, including adequate protection terms. The Bank RSA required the Debtors and the Consenting Bank Creditors to, among other things, support and not interfere with consummation of the restructuring transactions contemplated by the Bank RSA and, as to the Consenting Bank Creditors, vote their claims in favor of the Plan.

Liabilities Subject to Compromise

The Company's balance sheet includes amounts classified as "liabilities subject to compromise," which represent prepetition liabilities that have been allowed, or that the Company anticipates will be allowed, as claims in its Chapter 11 case. The amounts represent the Company's current estimate of known or potential obligations to be resolved in connection with the Chapter 11 proceedings. The differences between the liabilities the Company has estimated and the claims filed, or to be filed, will be investigated and resolved in connection with the claims resolution process. The Company will continue to evaluate these liabilities throughout the Chapter 11 process and adjust amounts as necessary. Such adjustments may be material.

The following table summarizes the components of liabilities subject to compromise included on the balance sheet:

	Year Ended December 31, 2016 (in thousands)
Accounts payable and accrued expenses	$ 151,515
Accrued interest payable	15,238
Debt	833,800
Liabilities subject to compromise	$ 1,000,553

Reorganization Items, Net

The Company has incurred and is expected to continue to incur significant costs associated with the reorganization. These costs, which are expensed as incurred, are expected to significantly affect the Company's results of operations. Reorganization items represent costs and income directly associated with the Chapter 11 proceedings since the Petition Date, and also include adjustments to reflect the carrying value of certain liabilities subject to compromise at their estimated allowed claim amounts, as such adjustments are determined.

The following table summarizes the components of reorganization items included on the statement of operations:

	Year Ended December 31, 2016 (in thousands)
Legal and other professional advisory fees	$ (30,130)
Unamortized premiums	10,923
Terminated contracts	(55,148)
Other	1,693
Reorganization items, net	$ (72,662)

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Effect of Filing on Creditors

Subject to certain exceptions, under the Bankruptcy Code, the filing of Bankruptcy Petitions automatically enjoined, or stayed, the continuation of most judicial or administrative proceedings or filing of other actions against the Debtors or their property to recover, collect or secure a claim arising prior to the Petition Date. Absent an order of the Bankruptcy Court, substantially all of the Debtors' prepetition liabilities are subject to settlement under the Bankruptcy Code. Although the filing of Bankruptcy Petitions triggered defaults on the Debtors' debt obligations, creditors were stayed from taking any actions against the Debtors as a result of such defaults, subject to certain limited exceptions permitted by the Bankruptcy Code. The Company did not record interest expense on its senior notes for the period from May 12, 2016 through December 31, 2016. For that period, unrecorded contractual interest was approximately $35 million.

Covenant Violations

The Company's filing of the Bankruptcy Petitions constituted an event of default that accelerated the Company's obligations under its Prior Credit Facility and its senior notes. Additionally, other events of default, including cross-defaults, occurred, including the failure to make interest payments on Berry LLC's senior notes and the receipt of a going concern explanatory paragraph from Berry LLC's independent registered public accounting firm on Berry LLC's financial statements for the year ended December 31, 2015. Under the Bankruptcy Code, the creditors under these debt agreements were stayed from taking any action against Berry LLC as a result of any default. See Note 4 for additional details about the Berry LLC's debt.

Prior Credit Facility

The Prior Credit Facility contained a requirement to deliver audited financial statements without a going concern or like qualification or exception. Consequently, the filing of Berry LLC's 2015 Annual Report on Form 10-K which included a going concern explanatory paragraph resulted in a default under the Prior Credit Facility as of the filing date, March 28, 2016, subject to a 30 day grace period.

On April 12, 2016, Berry LLC entered into an amendment to the Prior Credit Facility. The amendment provided for, among other things, an agreement that (i) certain events would not become defaults or events of default until May 11, 2016, (ii) the borrowing base would remain constant until May 11, 2016, unless reduced as a result of swap agreement terminations or collateral sales, (iii) Berry LLC would have access to $45 million in cash that was previously restricted in order to fund ordinary course operations and (iv) Berry LLC, the administrative agent and the lenders would negotiate in good faith the terms of a restructuring support agreement in furtherance of a restructuring of the capital structure of Berry LLC. As a condition to closing the amendment, Berry LLC provided control agreements over certain deposit accounts.

The filing of the Bankruptcy Petitions constituted an event of default that accelerated Berry LLC's obligations under the Prior Credit Facility. However, under the Bankruptcy Code, the creditors under this debt agreement were stayed from taking any action against Berry LLC as a result of the default.

Senior Notes

Berry LLC deferred making an interest payment totaling approximately $18 million due March 15, 2016, on Berry LLC's 6.375% senior notes due September 2022, which resulted in Berry LLC being in default under these senior notes. The indenture governing the notes provided Berry LLC a 30 day grace period to make the interest payment.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

On April 14, 2016, within the 30 day interest payment grace period provided for in the indenture governing the notes, the Company made an interest payment of approximately $18 million in satisfaction of its obligations.

The Company failed to make interest payments due on its senior notes subsequent to April 14, 2016.

The filing of the Bankruptcy Petitions constituted an event of default that accelerated the Company's obligations under the indentures governing the senior notes. However, under the Bankruptcy Code, holders of the senior notes were stayed from taking any action against the Company as a result of the default.

Note 3 – Divestiture

On November 14, 2014, the Company, along with a subsidiary of LINN Energy, completed the sale of certain of its Wolfberry properties in Ector and Midland counties in the Permian basin to Fleur de Lis Energy, LLC ("Permian basin Assets Sale"). Cash proceeds from the sale of these properties were approximately $352 million.

The net cash proceeds from the Permian basin Assets Sale were advanced by the Company to a subsidiary of LINN Energy. These proceeds were required to be used by LINN Energy on capital expenditures in respect of Berry LLC's operations, to repay Berry LLC's indebtedness or as otherwise permitted under the terms of Berry LLC's indentures and Prior Credit Facility. During the twelve months ended September 30, 2015, LINN Energy spent approximately $223 million, including approximately $58 million in 2014, on capital expenditures in respect of Berry LLC's operations. On September 30, 2015, LINN Energy repaid in full the remaining advance of approximately $129 million to Berry LLC. In October 2015, Berry LLC used that cash to repay borrowings under its Prior Credit Facility.

Note 4 – Debt

The following summarizes the Company's outstanding debt:

	December 31,	
	2016	2015
	(in thousands, except percentages)	
Prior Credit Facility(1)	$ 891,259	$ 873,175
6.75% senior notes due November 2020	261,100	261,100
6.375% senior notes due September 2022	572,700	572,700
Net unamortized premiums(2)	—	11,568
Total debt, net	1,725,059	1,718,543
Less current portion(3)	(891,259)	(873,175)
Less liabilities subject to compromise(4)	(833,800)	—
Total long-term debt, net	$ —	$ 845,368

(1) Variable interest rates of 5.50% and 3.17% at December 31, 2016, and December 31, 2015, respectively.
(2) Approximately $11 million in premiums were written off to reorganization items in connection with the filing of the Bankruptcy Petition.
(3) Due to existing and anticipated covenant violations, the Prior Credit Facility was classified as current at December 31, 2016, and December 31, 2015.
(4) The Company's senior notes were classified as liabilities subject to compromise at December 31, 2016.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Fair Value

The Company's debt is recorded at the carrying amount on the balance sheets. The carrying amount of the Prior Credit Facility approximates fair value because the interest rate is variable and reflective of market rates. The Company uses a market approach to determine the fair value of its senior notes using estimates based on prices quoted from third-party financial institutions, which is a Level 2 fair value measurement.

	December 31, 2016		December 31, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(in thousands)			
Senior notes, net	$ 833,800	$522,167	$ 845,368	$200,249

Prior Credit Facility

The Prior Credit Facility provides for a senior secured revolving credit facility, subject to the then-effective borrowing base. The maturity date is April 2019. At December 31, 2016, the Company had approximately $898 million in total borrowings outstanding (including outstanding letters of credit) under the Prior Credit Facility and there was no remaining availability.

See Note 2 for details of the amendment to the Prior Credit Facility entered into on April 12, 2016.

Redetermination of the borrowing base under the Prior Credit Facility, based primarily on reserve reports using lender commodity price expectations at such time, occurs semi-annually. The Company's obligations under the Prior Credit Facility are secured by mortgages on its oil and natural gas properties and other personal property. Berry LLC is required to maintain: 1) mortgages on properties representing at least 90% of the present value of oil and natural gas properties included on its most recent reserve report, and 2) an EBITDAX to Interest Expense ratio of at least 2.0 to 1.0 currently, 2.25 to 1.0 from March 31, 2017 through June 30, 2017 and 2.5 to 1.0 thereafter. In accordance with the amendment described in Note 2, the lenders had agreed that the failure to maintain the EBITDAX to Interest Expense ratio would not result in a default or event of default until May 11, 2016.

At the Company's election, interest on borrowings under the Prior Credit Facility is determined by reference to either the LIBOR plus an applicable margin between 1.75% and 2.75% per annum (depending on the then-current level of borrowings under the Prior Credit Facility) or a Base Rate (as defined in the Prior Credit Facility) plus an applicable margin between 0.75% and 1.75% per annum (depending on the then-current level of borrowings under the Prior Credit Facility). Interest is generally payable monthly for loans bearing interest based on the Base Rate and at the end of the applicable interest period for loans bearing interest at the LIBOR. The Company is required to pay a commitment fee to the lenders under the Prior Credit Facility, which accrues at a rate per annum of 0.5% on the average daily unused amount of the maximum commitment amount of the lenders.

The filing of the Bankruptcy Petitions constituted an event of default that accelerated the Company's obligations under the Prior Credit Facility. However, under the Bankruptcy Code, the creditors under these debt agreements were stayed from taking any action against the Company as a result of the default. The automatic stay under the Bankruptcy Code did not apply to letters of credit issued under the Prior Credit Facility. During the year ended December 31, 2016, approximately $20 million in letters of credit draws were made from the Prior Credit Facility.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Repurchases of Senior Notes

The Company made no repurchases of its senior notes during the year ended December 31, 2016. During the year ended December 31, 2015, the Company repurchased, on the open market and through a privately negotiated transaction, approximately $65 million of its outstanding senior notes including approximately $39 million of its 6.75% senior notes due November 2020 and approximately $26 million of its 6.375% senior notes due September 2022. In connection with the repurchases, the Company paid approximately $55 million in cash and recorded a gain on extinguishment of debt of approximately $11 million for the year ended December 31, 2015.

Senior Notes Covenants

The Company's senior notes contain covenants that, among other things, may limit its ability to: (i) incur or guarantee additional indebtedness; (ii) pay distributions or dividends on its equity or redeem its subordinated debt; (iii) create certain liens; (iv) enter into agreements that restrict distributions or other payments from the Company's restricted subsidiaries to the Company; (v) sell assets; (vi) engage in transactions with affiliates; and (vii) consolidate, merge or transfer all or substantially all of the Company's assets.

In addition, any cash generated by the Company is currently being used by the Company to fund its activities. Historically, to the extent that the Company generated cash in excess of its needs and determined to distribute such amounts to LINN Energy, the indentures governing the Company's senior notes limited the amount it could distribute to LINN Energy to the amount available under a "restricted payments basket," and the Company could not distribute any such amounts unless it is permitted by the indentures to incur additional debt pursuant to the consolidated coverage ratio test set forth in the Company's indentures. During the pendency of the bankruptcy proceedings, the Company did not distribute cash to LINN Energy using the restricted payments basket.

The Company may from time to time seek to repurchase its outstanding debt through open market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, may be material and will depend on prevailing market conditions, the Company's liquidity requirements, contractual restrictions and other factors.

The filing of the Bankruptcy Petitions constituted an event of default that accelerated the Company's obligations under the senior notes. However, under the Bankruptcy Code, holders of the senior notes were stayed from taking any action against the Company as a result of the default.

Covenant Violations

The Company's filing of the Bankruptcy Petitions described in Note 2 constituted an event of default that accelerated the Company's obligations under its Prior Credit Facility and its senior notes. Additionally, other events of default, including cross-defaults, occurred, including the failure to make interest payments on the Company's senior notes and the receipt of a going concern explanatory paragraph from the Company's independent registered public accounting firm on the Company's financial statements for the year ended December 31, 2015. Under the Bankruptcy Code, the creditors under these debt agreements were stayed from taking any action against the Company as a result of any default.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Note 5 – Derivatives

Historically, the Company has hedged a portion of its forecasted production to reduce exposure to fluctuations in oil and natural gas prices. The Company also, from time to time, has entered into derivative contracts for a portion of its natural gas consumption. The current direct NGL hedging market is constrained in terms of price, volume, duration and number of counterparties, which limits the Company's ability to effectively hedge its NGL production. The Company has also hedged its exposure to differentials in certain operating areas but does not currently hedge exposure to oil or natural gas differentials.

The Company has historically entered into commodity hedging transactions primarily in the form of swap contracts, collars and three-way collars. Swap contracts are designed to provide a fixed price. Collar contracts specify floor and ceiling prices to be received as compared to floating market prices. Three-way collar contracts combine a short put (the lower price), a long put (the middle price) and a short call (the higher price) to provide a higher ceiling price as compared to a regular collar and limit downside risk to the market price plus the difference between the middle price and the lower price if the market price drops below the lower price.

The Company enters into these transactions with respect to a portion of its projected production or consumption to provide an economic hedge of the risk related to the future commodity prices received or paid. The Company does not enter into derivative contracts for trading purposes. The Company did not designate any of its contracts as cash flow hedges; therefore, the changes in fair value of these instruments are recorded in current earnings. See Note 6 for fair value disclosures about oil and natural gas commodity derivatives.

The following table presents derivative positions for the periods indicated as of December 31, 2016:

	2017	2018	2019
Oil positions:			
Fixed price swaps (NYMEX WTI):			
Hedged volume (MBbls)	3,650	2,920	2,555
Average price ($/Bbl)	$54.33	$54.30	$54.28

In accordance with a Bankruptcy Court order dated August 16, 2016, the Company was authorized to enter into postpetition hedging arrangements. During the year ended December 31, 2016, the Company entered into commodity derivative contracts consisting of oil swaps for January 2017 through December 2019.

In May 2016 and July 2016, as a result of the Chapter 11 proceedings, the Company's counterparties canceled (prior to the contract settlement dates) all of the Company's then-outstanding derivative contracts and the Company received net cash proceeds of approximately $2 million. The net cash proceeds received were used to make permanent repayments of a portion of the borrowings outstanding under the Prior Credit Facility.

The oil derivatives are settled based on the average closing price of NYMEX WTI crude oil for each day of the delivery month. The natural gas derivatives are settled based on the closing price of NYMEX Henry Hub natural gas on the last trading day for the delivery month, which occurs on the third business day preceding the delivery month, or the relevant index prices of natural gas published in Inside FERC's Gas Market Report on the first business day of the delivery month.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Balance Sheet Presentation

The Company's commodity derivatives are presented on a net basis in "derivative instruments" on the balance sheets. The following table summarizes the fair value of derivatives outstanding on a gross basis:

	December 31,	
	2016	2015
	(in thousands)	
Assets:		
Commodity derivatives	$ 119	$13,807
Liabilities:		
Commodity derivatives	$19,236	$ 2,830

By using derivative instruments to economically hedge exposures to changes in commodity prices, the Company exposes itself to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. When the fair value of a derivative contract is positive, the counterparty owes the Company, which creates credit risk. The Company does not receive collateral from its counterparties.

The maximum amount of loss due to credit risk that the Company would incur if its counterparties failed completely to perform according to the terms of the contracts, based on the gross fair value of financial instruments, was approximately $119,000 at December 31, 2016. The Company minimizes the credit risk in derivative instruments by (i) limiting its exposure to any single counterparty; (ii) entering into derivative instruments only with counterparties that meet the Company's minimum credit quality standard; and (iii) monitoring the creditworthiness of the Company's counterparties on an ongoing basis. In accordance with the Company's standard practice, its commodity derivatives are subject to counterparty netting arrangements governing such derivatives and therefore the risk of loss due to counterparty nonperformance is somewhat mitigated.

Gains (Losses) on Derivatives

A summary of gains and losses on the derivatives included on the statements of operations is presented below:

	Year Ended December 31,	
	2016	2015
	(in thousands)	
Gains (losses) on oil and natural gas derivatives	$ (15,781)	$ 29,175
Lease operating expenses(1)	(4,605)	6,893
Total gains (losses) on oil and natural gas derivatives	$ (20,386)	$ 36,068

(1) Consists of gains and (losses) on derivatives were entered into in March 2015 to hedge exposure to differentials in consuming areas.

For the years ended December 31, 2016, and December 31, 2015, the Company received net cash settlements of approximately $10 million and $69 million, respectively.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Note 6 – Fair Value Measurements on a Recurring Basis

The Company accounts for its commodity derivatives at fair value (see Note 5) on a recurring basis. The Company determines the fair value of its oil and natural gas derivatives utilizing pricing models that use a variety of techniques, including market quotes and pricing analysis. Inputs to the pricing models include publicly available prices and forward price curves generated from a compilation of data gathered from third parties. Company management validates the data provided by third parties by understanding the pricing models used, obtaining market values from other pricing sources, analyzing pricing data in certain situations and confirming that those instruments trade in active markets. Assumed credit risk adjustments, based on published credit ratings and public bond yield spreads are applied to the Company's commodity derivatives.

Fair Value Hierarchy

In accordance with applicable accounting standards, the Company has categorized its financial instruments, based on the priority of inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

Financial assets and liabilities recorded in the balance sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1 Financial assets and liabilities for which values are based on unadjusted quoted prices for identical assets or liabilities in an active market that management has the ability to access.

Level 2 Financial assets and liabilities for which values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability (commodity derivatives).

Level 3 Financial assets and liabilities for which values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

When the inputs used to measure fair value fall within different levels of the hierarchy in a liquid environment, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company conducts a review of fair value hierarchy classifications on a quarterly basis. Changes in the observability of valuation inputs may result in a reclassification for certain financial assets or liabilities.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

The following presents the fair value hierarchy for assets and liabilities measured at fair value on a recurring basis:

	December 31, 2016		
	Level 2	Netting(1)	Total
	(in thousands)		
Assets:			
Commodity derivatives	$ 119	$ (119)	$ —
Liabilities:			
Commodity derivatives	$19,236	$ (119)	$19,117
Assets:			
Commodity derivatives	$13,807	$ (589)	$13,218
Liabilities:			
Commodity derivatives	$ 2,830	$ (589)	$ 2,241

(1) Represents counterparty netting under agreements governing such derivatives.

Note 7 – Other Property and Equipment

Other property and equipment consists of the following:

	December 31,	
	2016	2015
	(in thousands)	
Natural gas plant and pipeline	$108,701	$ 96,771
Buildings and leasehold improvements	5,891	5,884
Vehicles	4,588	4,647
Drilling and other equipment	200	113
Furniture and office equipment	3,879	3,879
Land	201	201
	123,460	111,495
Less accumulated depreciation	(20,759)	(12,522)
	$102,701	$ 98,973

Note 8 – Asset Retirement Obligations

The Company has the obligation to plug and abandon oil and natural gas wells and related equipment at the end of production operations. Estimated asset retirement costs are recognized as liabilities with an increase to the carrying amounts of the related long-lived assets when the obligation is incurred. The liabilities are included in “other accrued liabilities” and “other noncurrent liabilities” on the balance sheets. Accretion expense is included in “depreciation, depletion and amortization” on the statements of operations. The fair value of additions to the asset retirement obligations is estimated using valuation techniques that convert future cash flows to a single discounted amount. Significant inputs to the valuation include estimates of: (i) plug and abandon costs per well based on existing regulatory requirements; (ii) remaining life per well; (iii) future inflation factors; and (iv) a credit-adjusted risk-free interest rate. These inputs require significant judgments and estimates by the Company’s management at the time of the valuation and are the most sensitive and subject to change.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

The following table presents a reconciliation of the Company's asset retirement obligations:

	December 31,	
	2016	2015
	(in thousands)	
Asset retirement obligations at beginning of year	$137,563	$121,760
Liabilities added from drilling	113	1,270
Settlements	(4,891)	(683)
Current year accretion expense	7,468	6,897
Revision of estimates	1,545	8,319
Asset retirement obligations at end of year	$141,798	$137,563

Note 9 – Commitments and Contingencies Operating Leases and Other Commitments

The Company leases office space and other property and equipment under lease agreements expiring on various dates through 2020. The Company recognized expense under operating leases of approximately $2 million and $6 million for the years ending December 31, 2016, and December 31, 2015, respectively.

The following table presents the Company's future minimum payments under noncancelable operating leases and other commitments as of December 31, 2016:

	Total	2017	2018	2019	2020	2021	Thereafter
	(in thousands)						
Operating leases(1)	$ 3,555	$1,237	$1,263	$1,055	$ —	$ —	$ —
Firm natural gas transportation contracts(2)	11,301	1,711	1,751	1,715	1,758	1,717	2,649
Other commitments(3)	2,357	2,357	—	—	—	—	—
Total	$17,213	$5,305	$3,014	$2,770	$1,758	$1,717	$ 2,649

(1) Operating leases relate primarily to obligations associated with the Company's office facilities and vehicles.
(2) The Company enters into certain firm commitments to transport natural gas production to market and to transport natural gas for use in the Company's cogeneration and conventional steam generation facilities. The remaining terms of these contracts range from approximately five to seven years and require a minimum monthly charge regardless of whether the contracted capacity is used or not.
(3) Other commitments relate primarily to cogeneration facility management services and equipment rental obligations.

Carry and Earning Agreement

In January 2011, the Company entered into an amendment relating to certain contractual obligations to a third-party co-owner of certain Piceance basin assets in Colorado. The amendment waives a $200,000 penalty for each well not spud by February 2011 and requires the Company to reassign to such third party, by January 31, 2020, all of the interest acquired by the Company from the third party in each 160-acre tract in which the Company has not drilled and completed a well that is producing or capable of producing from a designated formation, or deeper formation, on January 1, 2020. The amendment also requires the Company to pay the first $9 million of costs incurred in connection with the construction of either an extension of the existing access road or a new access road, including the third party's 50% share. Pursuant to the terms of a further amendment effective September 30, 2015, if by September 30, 2017, the Company does not expend $9 million on the

construction of either the extension of the existing access road or a new access road, the Company is obligated to pay the third party 50% of the difference between $12 million and the actual amount expended on road construction as of such date. Under the terms of the 2015 amendment, this deadline is subject to further extension to no later than December 31, 2017. Due to the need to obtain regulatory approvals, among other reasons, the Company has not yet commenced construction of either an extension of the existing access road or a new access road and may be unable to do so by the extended deadline, thus triggering the payment of the obligation to the third party.

Environmental Matters

The Company has no material accrued environmental liabilities for its sites, including sites in which governmental agencies have designated the Company as a potentially responsible party, because it is not probable that a loss will be incurred and the minimum cost and/or amount of loss cannot be reasonably estimated. However, because of the uncertainties associated with environmental assessment and remediation activities, future expense to remediate the currently identified sites, and sites identified in the future, if any, could be incurred. Management believes, based upon current site assessments, that the ultimate resolution of any matters will not result in material costs to the Company.

Legal Matters

On May 11, 2016, the Debtors filed the Bankruptcy Petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The Debtors' Chapter 11 cases are being administered jointly under the caption In re Linn Energy, LLC., et al., Case No. 16-60040. On January 27, 2017, the Bankruptcy Court entered the Confirmation Order approving and confirming the Plan. On the Effective Date, the Plan became effective and was implemented in accordance with its terms. The Debtors Chapter 11 cases will remain pending until the final resolution of all outstanding claims.

The commencement of the Chapter 11 proceedings automatically stayed certain actions against the Company, including actions to collect prepetition liabilities or to exercise control over the property of the Company's bankruptcy estates. The Company is, and will continue to be until the final resolution of all claims, subject to certain contested matters and adversary proceedings stemming from the Chapter 11 proceedings.

The Company is not currently a party to any litigation or pending claims that it believes would have a material adverse effect on its overall business, financial position, results of operations or liquidity; however, cash flow could be significantly impacted in the reporting periods in which such matters are resolved.

During the years ended December 31, 2016, and December 31, 2015, the Company made no significant payments to settle any legal, environmental or tax proceedings. The Company regularly analyzes current information and accrues for probable liabilities on the disposition of certain matters as necessary. Liabilities for loss contingencies arising from claims, assessments, litigation or other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Note 10 – Income Taxes

Prior to the consummation of the Plan, the Company was a limited liability company treated as a disregarded entity for federal and state income tax purposes, with the exception of the state of Texas. Limited liability companies are subject to Texas margin tax. As such, with the exception of the state of Texas, the Company was not a taxable entity, it did not directly pay federal and state income taxes and recognition was not

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

given to federal and state income taxes for the operations of the Company, except as set forth in the tables below. Amounts recognized for income taxes are reported in "income tax expense (benefit)" on the statements of operations.

	Year Ended December 31,	
	2016	2015
	(in thousands)	
Current state taxes	$ 127	$ —
Deferred state taxes	(11)	(68)
	$ 116	$ (68)

A reconciliation of the federal statutory tax rate to the effective tax rate is as follows:

	Year Ended December 31,	
	2016	2015
	(in thousands)	
Federal statutory rate	35%	35%

	Year Ended December 31,	
	2016	2015
	(in thousands)	
Income excluded from nontaxable entities	(35)	(35)
Effective rate	— %	— %

The effective tax rate was zero for the years ended December 31, 2016, and December 31, 2015, as the Company is a limited liability company treated as a disregarded entity for federal and state income tax purposes, with the exception of the state of Texas.

At December 31, 2016, and December 31, 2015, the Company had net deferred tax assets of approximately $9,000 and net deferred tax liabilities of approximately $1,000, respectively. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

In accordance with the applicable accounting standards, the Company recognizes only the impact of income tax positions that, based on their merits, are more likely than not to be sustained upon audit by a taxing authority. To evaluate its current tax positions in order to identify any material uncertain tax positions, the Company developed a policy of identifying and evaluating uncertain tax positions that considers support for each tax position, industry standards, tax return disclosures and schedules, and the significance of each position. It is the Company's policy to recognize interest and penalties, if any, related to unrecognized tax benefits in income tax expense. The Company had no material uncertain tax positions at December 31, 2016, or December 31, 2015. The tax years of 2014 through 2016 remain open to examination for income tax purposes in the state of Texas.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

NOTES TO FINANCIAL STATEMENTS (Continued)

Note 11 – Related Party Transactions

LINN Energy

As of December 31, 2016, the Company had no employees. The employees of Linn Operating, Inc. ("Linn Operating"), provided services and support to the Company in accordance with an agency agreement and power of attorney between the Company and Linn Operating. For the years ended December 31, 2016, and December 31, 2015, the Company incurred management fee expenses of approximately $69 million and $78 million, respectively, for services provided by Linn Operating. The Company also had accounts receivable due from LINN Energy of approximately $3 million included in "accounts receivable – trade, net" and accounts payable due to LINN Energy of approximately $9 million included in "accounts payable and accrued expenses" on the balance sheets at December 31, 2016, and December 31, 2015, respectively. In addition, the Company had approximately $43 million due to LINN Energy included in "liabilities subject to compromise" on the balance sheet at December 31, 2016.

During the year ended December 31, 2015, LINN Energy made capital contributions of approximately $471 million to Berry LLC, including $250 million which was deposited on Berry LLC's behalf and posted as restricted cash with Berry LLC's lenders in connection with the reduction of its borrowing base in May 2015.

The Company made no cash distributions to LINN Energy during the year ended December 31, 2016. During the year ended December 31, 2015, the Company made cash distributions of approximately $89 million to LINN Energy. In addition, in 2014, the Company advanced approximately $352 million, to a subsidiary of LINN Energy, of net cash proceeds from the Permian basin Assets Sale. These proceeds were required to be used by LINN Energy on capital expenditures in respect of Berry LLC's operations, to repay Berry LLC's indebtedness or as otherwise permitted under the terms of Berry LLC's indentures and Prior Credit Facility. During the twelve months ended September 30, 2015, LINN Energy spent approximately $223 million, including approximately $58 million in 2014, on capital expenditures in respect of Berry LLC's operations. On September 30, 2015, LINN Energy repaid in full the remaining advance of approximately $129 million to Berry LLC. In October 2015, Berry LLC used that cash to repay borrowings under its Prior Credit Facility.

Other

One of LINN Energy's former directors is the President and Chief Executive Officer of Superior Energy Services, Inc. ("Superior"), which provides oilfield services to the Company. The Company incurred no significant expenditures related to services rendered by Superior and its subsidiaries for the year ended December 31, 2016. For the year ended December 31, 2015, the Company incurred expenditures of approximately $562,000 related to services rendered by Superior and its subsidiaries.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

SUPPLEMENTAL OIL & NATURAL GAS DATA
(Unaudited)

The following discussion and analysis should be read in conjunction with the "Financial Statements" and "Notes to Financial Statements," which are included in this prospectus in "Financial Statements and Supplementary Data."

Costs Incurred in Oil and Natural Gas Property Acquisition, Exploration and Development Activities

Costs incurred in oil and natural gas property acquisition, exploration and development, whether capitalized or expensed, are presented below:

	Year Ended December 31,	
	2016	2015
	(in thousands)	
Property acquisition costs:		
Proved	$ 1,545	$ —
Unproved	—	—
Exploration costs	—	—
Development costs	13,456	130,276
Asset retirement costs	(365)	2,151
Total costs incurred	$ 14,636	$ 132,427

Oil and Natural Gas Capitalized Costs

Aggregate capitalized costs related to oil, natural gas and NGL production activities with applicable accumulated depletion and amortization are presented below:

	December 31,	
	2016	2015
	(in thousands)	
Oil and natural gas:		
Proved properties	$ 4,262,155	$ 4,231,836
Unproved properties	764,655	779,225
	5,026,810	5,011,061
Less accumulated depletion and amortization	(2,789,368)	(1,596,165)
	$ 2,237,442	$ 3,414,896

Results of Oil and Natural Gas Producing Activities

The results of operations for oil, natural gas and NGL producing activities (excluding corporate overhead and interest costs) are presented below:

	Year Ended December 31,	
	2016	2015
	(in thousands)	
Revenues and other:		
Oil, natural gas and natural gas liquids sales	$ 392,345	$ 575,031
Gains (losses) on oil and natural gas derivatives	(15,781)	29,175
	376,564	604,206
Production costs:		
Lease operating expenses	185,056	245,155
Transportation expenses	41,619	52,160
Severance taxes, ad valorem taxes and California carbon allowances	24,982	70,591
	251,657	367,906
Other costs:		
Depletion and amortization	169,605	241,019
Impairment of long-lived assets	1,030,588	853,810
(Gains) losses on sale of assets and other, net	(7)	372
	1,200,186	1,095,201
Income tax expense (benefit)	116	(68)
Results of operations	$(1,075,395)	$ (858,833)

There is no federal tax provision included in the results above because the Company was not subject to federal income taxes during those periods. The income tax amount included in the results above relates to Texas margin tax expense. Limited liability companies are subject to Texas margin tax. See Note 10 for additional information about income taxes.

Proved Oil, Natural Gas and NGL Reserves

The proved reserves of oil and natural gas of the Company have been prepared by the independent engineering firm, DeGolyer and MacNaughton. In accordance with Securities and Exchange Commission ("SEC") regulations, reserves at December 31, 2016 and December 31, 2015, were estimated using the average price during the 12-month period, determined as an unweighted average of the first-day-of-the-month price for each month, excluding escalations based upon future conditions. An analysis of the change in estimated quantities of oil and natural gas reserves, all of which are located within the U.S., is shown below:

	Year Ended December 31, 2016			
	Oil MBbls	NGL MBbls	Natural Gas MMcf	Total MBOE
Total proved reserves:				
Beginning of year	93,892	16,953	387,848	175,487
Revisions of previous estimates	(31,350)	(568)	13,311	(29,701)
Extensions, discoveries and other additions	1,797	—	178	1,827
Production	(8,463)	(1,307)	(28,577)	(14,533)
End of year	55,876	15,078	372,760	133,080
Proved developed reserves	55,422	15,078	372,760	132,626
Proved undeveloped reserves	454	—	—	454
Total proved reserves	55,876	15,078	372,760	133,080

	Year Ended December 31, 2015			
	Oil MBbls	NGL MBbls	Natural Gas MMcf	Total MBOE
Total proved reserves:				
Beginning of year:				
Proved developed reserves	104,337	14,702	552,184	211,069
Proved undeveloped reserves	40,073	5,290	134,853	67,839
Total proved reserves	144,410	19,992	687,037	278,908
Revisions of previous estimates	(40,348)	(2,012)	(270,030)	(87,365)
Extensions, discoveries and other additions	793	34	4,693	1,610
Production	(10,963)	(1,061)	(33,852)	(17,666)
End of year	93,892	16,953	387,848	175,487
Proved developed reserves	93,892	16,953	387,848	175,487
Proved undeveloped reserves	—	—	—	—
Total proved reserves	93,892	16,953	387,848	175,487

The tables above include changes in estimated quantities of natural gas reserves shown in BOE using the ratio of six Mcf to one barrel.

Proved reserves decreased by approximately 42,407 MBOE to approximately 133,080 MBOE for the year ended December 31, 2016, from 175,487 MBOE for the year ended December 31, 2015. The year ended December 31, 2016, includes approximately 29,701 MBOE of negative revisions of previous estimates (22,729 MBOE due to asset performance and 6,972 due to lower commodity prices). In addition, extensions and discoveries, primarily from 23 productive wells drilled during the year, contributed approximately 1,827 MBOE to the increase in proved reserves.

Proved reserves decreased by approximately 103,421 MBOE to approximately 175,487 MBOE for the year ended December 31, 2015, from 278,908 MBOE for the year ended December 31, 2014. The year ended

December 31, 2015, includes approximately 87,365 MBOE of negative revisions of previous estimates (71,389 MBOE due to lower commodity prices, 15,067 MBOE due to uncertainty regarding the Company's future commitment to capital and 10,733 MBOE due to the SEC five-year development limitation on PUDs, partially offset by 9,824 MBOE of positive revisions due to asset performance). In addition, extensions and discoveries, primarily from 196 productive wells drilled during the year, contributed approximately 1,610 MBOE to the increase in proved reserves.

As a result of the uncertainty regarding the Company's future commitment to capital, the Company reclassified all of its PUDs to unproved at December 31, 2015.

Standardized Measure of Discounted Future Net Cash Flows

Information with respect to the standardized measure of discounted future net cash flows relating to proved reserves is summarized below. Future cash inflows are computed by applying applicable prices relating to the Company's proved reserves to the year-end quantities of those reserves. Future production, development, site restoration and abandonment costs are derived based on current costs assuming continuation of existing economic conditions. There are no future income tax expenses because the Company is not subject to federal income taxes. Limited liability companies are subject to Texas margin tax; however, these amounts are not material. See Note 10 for additional information about income taxes.

	December 31,	
	2016	2015
	(in thousands)	
Future estimated revenues	$ 3,131,758	$ 5,483,899
Future estimated production costs	(1,893,608)	(3,458,415)
Future estimated development costs	(220,374)	(332,311)
Future net cash flows	1,017,776	1,693,173
10% annual discount for estimated timing of cash flows	(421,554)	(697,801)
Standardized measure of discounted future net cash flows	$ 596,222	$ 995,372
Representative NYMEX prices:(1)		
Oil(Bbl)	$ 42.64	$ 50.16
Natural gas (MMBtu)	$ 2.48	$ 2.59

(1) In accordance with SEC regulations, reserves were estimated using the average price during the 12-month period, determined as an unweighted average of the first-day-of-the-month price for each month, excluding escalations based upon future conditions. The average price used to estimate reserves is held constant over the life of the reserves.

The following table summarizes the principal sources of change in the standardized measure of discounted future net cash flows:

	December 31,	
	2016	2015
	(in thousands)	
Standardized measure – beginning of year	$ 995,372	$ 4,330,377
Sales and transfers of oil, natural gas and NGL produced during the period	(140,688)	(207,125)
Changes in estimated future development costs	66,386	431,622
Net change in sales and transfer prices and production costs related to future production	(242,982)	(3,203,620)
Extensions, discoveries and improved recovery	21,610	20,345
Previously estimated development costs incurred during the period	—	67,529
Net change due to revisions in quantity estimates	(158,474)	(544,334)
Accretion of discount	99,537	433,038
Changes in production rates and other	(44,539)	(332,460)
Net decrease	(399,150)	(3,335,005)
Standardized measure – end of year	$ 596,222	$ 995,372

The data presented should not be viewed as representing the expected cash flow from, or current value of, existing proved reserves since the computations are based on a large number of estimates and assumptions. The required projection of production and related expenditures over time requires further estimates with respect to pipeline availability, rates of demand and governmental control. Actual future prices and costs are likely to be substantially different from the current prices and costs utilized in the computation of reported amounts. Any analysis or evaluation of the reported amounts should give specific recognition to the computational methods utilized and the limitations inherent therein.

BERRY PETROLEUM COMPANY, LLC (DEBTOR-IN-POSSESSION)

SUPPLEMENTAL QUARTERLY DATA
(Unaudited)

The following discussion and analysis should be read in conjunction with the "Financial Statements" and "Notes to Financial Statements," which are included in this prospectus in "Financial Statements and Supplementary Data."

Quarterly Financial Data

	Quarters Ended			
	March 31	June 30	September 30	December 31
	(in thousands)			
2016:				
Oil, natural gas and natural gas liquids sales	$ 83,466	$ 99,831	$ 102,241	$ 106,807
Electricity sales	4,211	5,118	8,244	5,631
Gains (losses) on oil and natural gas derivatives	508	1,026	108	(17,423)
Total revenues and other	91,266	108,639	113,325	97,861
Total expenses(1)	1,196,393	33,868	111,600	118,207
(Gains) losses on sale of assets and other, net	(192)	425	(87,915)	(33,833)
Reorganization items, net	—	49,086	(87,915)	(33,833)
Net income (loss)	(1,124,819)	6,840	(98,438)	(66,779)

	Quarters Ended			
	March 31	June 30	September 30	December 31
	(in thousands)			
2015:				
Oil, natural gas and natural gas liquids sales	$ 156,586	$173,381	$ 140,252	$ 104,812
Electricity sales	5,151	6,609	8,610	4,174
Gains (losses) on oil and natural gas derivatives	3,267	(4,474)	27,664	2,718
Total revenues and other	169,281	177,890	79,307	115,176
Total expenses(1)	474,938	191,222	696,633	218,155
(Gains) losses on sale of assets and other, net	(4,473)	(811)	2,633	732
Net loss	(322,725)	(28,832)	(537,158)	(126,462)

(1) Includes the following expenses: lease operating, transportation, marketing, general and administrative, exploration, depreciation, depletion and amortization, impairment of long-lived assets and taxes, other than income taxes.

ANNEX A

GLOSSARY OF OIL AND NATURAL GAS TERMS

The following are abbreviations and definitions of certain terms used in this prospectus, which are commonly used in the oil and natural gas industry:

"*API*" gravity means the relative density, expressed in degrees, of petroleum liquids based on a specific gravity scale developed by the American Petroleum Institute.

"*basin*" means a large area with a relatively thick accumulation of sedimentary rocks.

"*Bbl*" means one stock tank barrel, or 42 U.S. gallons liquid volume, used in reference to oil or other liquid hydrocarbons.

"*Bcf*" means one billion cubic feet, which is a unit of measurement of volume for natural gas.

"*Boe*" means barrel of oil equivalent, determined using the ratio of one Bbl of oil, condensate or natural gas liquids to six Mcf of natural gas.

"*Boe/d*" means Boe per day.

"*Brent*" means the reference price paid in U.S. dollars for a barrel of light sweet crude oil produced from the Brent field in the UK sector of the North Sea.

"*Btu*" means one British thermal unit—a measure of the amount of energy required to raise the temperature of a one-pound mass of water one degree Fahrenheit at sea level.

"*Completion*" means the installation of permanent equipment for the production of oil or natural gas.

"*Condensate*" means a mixture of hydrocarbons that exists in the gaseous phase at original reservoir temperature and pressure, but that, when produced, is in the liquid phase at surface pressure and temperature.

"*Development drilling or Development well*" means a well drilled to a known producing formation in a previously discovered field, usually offsetting a producing well on the same or an adjacent oil and natural gas lease.

"*Diatomite*" means a sedimentary rock composed primarily of siliceous, diatom shells.

"*Differential*" means an adjustment to the price of oil or natural gas from an established spot market price to reflect differences in the quality and/or location of oil or natural gas.

"*Downspacing*" means additional wells drilled between known producing wells to better develop the reservoir.

"*Enhanced oil recovery*" means a technique for increasing the amount of oil that can be extracted from a field.

"*EOR*" means enhanced oil recovery.

"*Estimated ultimate recovery*" or "*EUR*" means the sum of reserves remaining as of a given date and cumulative production as of that date. As used in this prospectus, EUR includes only proved reserves and is based on our reserve estimates

"*Exploration activities*" means the initial phase of oil and natural gas operations that includes the generation of a prospect or play and the drilling of an exploration well.

"*Field*" means an area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature or stratigraphic condition.

"*Formation*" means a layer of rock which has distinct characteristics that differs from nearby rock

"*Fracturing*" means mechanically inducing a crack or surface of breakage within rock not related to foliation or cleavage in metamorphic rock in order to enhance the permeability of rocks by connecting pores together.

"*Gas*" or "*Natural gas*" means the lighter hydrocarbons and associated non-hydrocarbon substances occurring naturally in an underground reservoir, which under atmospheric conditions are essentially gases but which may contain liquids.

"*Gross Acres*" or "*Gross Wells*" means the total acres or wells, as the case may be, in which we have a working interest.

"*Held by production*" means acreage covered by a mineral lease that perpetuates a company's right to operate a property as long as the property produces a minimum paying quantity of oil or natural gas.

"*Henry Hub*" is a distribution hub on the natural gas pipeline system in Erath, Louisiana.

"*Hydraulic fracturing*" means a procedure to stimulate production by forcing a mixture of fluid and proppant (usually sand) into the formation under high pressure. This creates artificial fractures in the reservoir rock, which increases permeability.

"*Horizontal drilling*" means a wellbore that is drilled laterally.

"*ICE*" means Intercontinental Exchange.

"*Infill drilling*" means drilling of an additional well or wells at less than existing spacing to more adequately drain a reservoir.

"*Injection Well*" means a well in which water, gas or steam is injected, the primary objective typically being to maintain reservoir pressure and/or improve hydrocarbon recovery.

"*IOR*" means improved oil recovery.

"*Leases*" means full or partial interests in oil or gas properties authorizing the owner of the lease to drill for, produce and sell oil and natural gas in exchange for any or all of rental, bonus and royalty payments. Leases are generally acquired from private landowners (fee leases) and from federal and state governments on acreage held by them.

"*MBbl*" One thousand barrels of oil, condensate or NGLs.

"*MBoe*" One thousand barrels of oil equivalent.

"*MBoe/d*" MBoe per day.

"*Mcf*" means one thousand cubic feet, which is a unit of measurement of volume for natural gas.

"*MMBbl*" One million barrels of oil, condensate or NGLs.

"*MMBoe*" One million barrels of oil equivalent.

"*MMBtu*" One million Btus.

"*MMcf*" means one million cubic feet, which is a unit of measurement of volume for natural gas.

"*MMcf/d*" means MMcf per day.

"*MW*" megawatt

"*Net Acres*" or "*Net Wells*" is the sum of the fractional working interests owned in gross acres or wells, as the case may be, expressed as whole numbers and fractions thereof.

"*Net revenue interest*" means all of the working interests, less all royalties, overriding royalties, non-participating royalties, net profits interest or similar burdens on or measured by production from oil and natural gas.

"*NGL*" means natural gas liquids, which are the hydrocarbon liquids contained within natural gas.

"*NYMEX*" means New York Mercantile Exchange.

"*Oil*" means crude oil or condensate.

"*Operator*" means the individual or company responsible to the working interest owners for the exploration, development and production of an oil or natural gas well or lease.

"*PDNP*" is an abbreviation for proved developed non-producing.

"*PDP*" is an abbreviation for proved developed producing.

"*Permeability*" means the ability, or measurement of a rock's ability, to transmit fluids.

"*Play*" means a regionally distributed oil and natural gas accumulation. Resource plays are characterized by continuous, aerially extensive hydrocarbon accumulations.

"*Porosity*" means the total pore volume per unit volume of rock.

"*PPA*" is an abbreviation for power purchase agreement.

"*Production costs*" means costs incurred to operate and maintain wells and related equipment and facilities, including depreciation and applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities. For a complete definition of production costs, refer to the SEC's Regulation S-X, Rule 4-10(a)(20).

"*Productive well*" means a well that is producing oil, natural gas or NGLs or that is capable of production.

"*Proppant*" means sized particles mixed with fracturing fluid to hold fractures open after a hydraulic fracturing treatment.

"*Prospect*" means a specific geographic area which, based on supporting geological, geophysical or other data and also preliminary economic analysis using reasonably anticipated prices and costs, is deemed to have potential for the discovery of commercial hydrocarbons.

"*Proved developed reserves*" means reserves that can be expected to be recovered through existing wells with existing equipment and operating methods.

"*Proved developed producing reserves*" means reserves that are being recovered through existing wells with existing equipment and operating methods.

"*Proved reserves*" means the estimated quantities of oil, gas and gas liquids, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible - from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations - prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

"*Proved undeveloped drilling location*" means a site on which a development well can be drilled consistent with spacing rules for purposes of recovering proved undeveloped reserves.

"*Proved undeveloped reserves*" or "*PUDs*" means proved reserves that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion. Reserves on undrilled acreage are limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence using reliable technology exists that establishes reasonable certainty of economic producibility at greater distances. Undrilled locations can be classified as having proved undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances justify a longer time. Estimates for proved undeveloped reserves are not attributed to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, or by other evidence using reliable technology establishing reasonable certainty

"*PV-10*" is a non-GAAP financial measure and represents the present value of estimated future cash inflows from proved oil and gas reserves, less future development and production costs, discounted at 10% per annum to reflect the timing of future cash flows and using SEC prescribed pricing assumptions for the period. While this measure does not include the effect of income taxes as it would in the use of the standardized measure calculation, it does provide an indicative representation of the relative value of the company on a comparative basis to other companies and from period to period.

"*R/P Ratio*" means reserves to production ratio, which indicates the number of years that current reserves would last if the rate of production did not change.

"*Realized price*" means the cash market price less all expected quality, transportation and demand adjustments.

"*Reasonable certainty*" means a high degree of confidence. For a complete definition of reasonable certainty, refer to the SEC's Regulation S-X, Rule 4-10(a)(24).

"*Recompletion*" means the completion for production from an existing wellbore in a formation other than that in which the well has previously been completed.

"*Reserves*" means estimated remaining quantities of oil and natural gas and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and natural gas or related

substances to market and all permits and financing required to implement the project. Reserves should not be assigned to adjacent reservoirs isolated by major, potentially sealing, faults until those reservoirs are penetrated and evaluated as economically producible. Reserves should not be assigned to areas that are clearly separated from a known accumulation by a non-productive reservoir (i.e., absence of reservoir, structurally low reservoir or negative test results). Such areas may contain prospective resources (i.e., potentially recoverable resources from undiscovered accumulations).

"*Reservoir*" means a porous and permeable underground formation containing a natural accumulation of producible natural gas and/or oil that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

"*Resources*" means quantities of oil and natural gas estimated to exist in naturally occurring accumulations. A portion of the resources may be estimated to be recoverable and another portion may be considered to be unrecoverable. Resources include both discovered and undiscovered accumulations.

"*Royalty*" means the share paid to the owner of mineral rights, expressed as a percentage of gross income from oil and natural gas produced and sold unencumbered by expenses relating to the drilling, completing and operating of the affected well.

"*Royalty interest*" means an interest in an oil and natural gas property entitling the owner to shares of oil and natural gas production, free of costs of exploration, development and production operations.

"*SEC Pricing*" means calculated using oil and natural gas price parameters established by current guidelines of the SEC and accounting rules based on the unweighted arithmetic average of oil and natural gas prices as of the first day of each of the twelve months ended on the given date.

"*Seismic Data*" means data produced by an exploration method of sending energy waves into the earth and recording the wave reflections to indicate the type, size, shape and depth of a subsurface rock formation. 2-D seismic provides two-dimensional information and 3-D seismic provides three-dimensional views.

"*Spacing*" means the distance between wells producing from the same reservoir. Spacing is often expressed in terms of acres, e.g., 40-acre spacing, and is often established by regulatory agencies.

"*Standardized measure*" means discounted future net cash flows estimated by applying year-end prices to the estimated future production of proved reserves. Future cash inflows are reduced by estimated future production and development costs based on period-end costs to determine pre-tax cash inflows. Future income taxes, if applicable, are computed by applying the statutory tax rate to the excess of pre-tax cash inflows over our tax basis in the oil and natural gas properties. Future net cash inflows after income taxes are discounted using a 10% annual discount rate.

"*Thickness*" means the thickness of a layer or stratum of sedimentary rock measured perpendicular to its lateral extent, presuming deposition on a horizontal surface.

"*Undeveloped acreage*" means lease acres on which wells have not been drilled or completed to a point that would permit the production of commercial quantities of oil and gas regardless of whether or not such acreage contains proved reserves.

"*Unit*" means the joining of all or substantially all interests in a reservoir or field, rather than a single tract, to provide for development and operation without regard to separate property interests. Also, the area covered by a unitization agreement.

"*Unproved reserves*" means reserves that are considered less certain to be recovered than proved reserves. Unproved reserves may be further sub-classified to denote progressively increasing uncertainty of recoverability and include probable reserves and possible reserves.

"*Wellbore*" means the hole drilled by the bit that is equipped for natural gas production on a completed well. Also called well or borehole.

"*Working interest*" means an interest in an oil and natural gas lease entitling the holder at its expense to conduct drilling and production operations on the leased property and to receive the net revenues attributable to such interest, after deducting the landowner's royalty, any overriding royalties, production costs, taxes and other costs.

"*Workover*" means maintenance on a producing well to restore or increase production.

"*WTI*" means West Texas Intermediate.

Shares

Berry Petroleum Corporation

Common Stock

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

Set forth below is a table of the registration fee for the Securities and Exchange Commission and estimates of all other expenses to be paid by the registrant in connection with the issuance and distribution of the securities described in the registration statement:

SEC registration fee	$ *
FINRA filing fee	*
listing fee	*
Printing fees and expenses	*
Accounting fees and expenses	*
Legal fees and expenses	*
Engineering fees and expenses	*
Transfer agent and registrar fees	*
Miscellaneous	*
Total	$ *

* To be provided by amendment.

Item 14. Indemnification of Directors and Officers.

We are incorporated in Delaware. Under Section 145 of the DGCL, a Delaware corporation has the power, under specified circumstances, to indemnify its directors, officers, employees and agents in connection with actions, suits or proceedings brought against them by a third party or in the right of the corporation, by reason that they were or are such directors, officers, employees or agents, against expenses and liabilities incurred in any such action, suit or proceeding so long as they acted in good faith and in a manner that they reasonably believed to be in, or not opposed to, the best interests of such corporation, and with respect to any criminal action, that they had no reasonable cause to believe their conduct was unlawful. With respect to suits by or in the right of such corporation, however, indemnification is generally limited to attorneys' fees and other expenses and is not available if such person is adjudged to be liable to such corporation unless the court determines that indemnification is appropriate. A Delaware corporation also has the power to purchase and maintain insurance for such persons.

Section 102(b)(7) of the DGCL provides that a certificate of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director provided that such provisions may not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 (relating to liability for unauthorized acquisitions or redemptions of, or dividends on, capital stock) of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. Article 9 of our Amended and Restated Certificate of Incorporation limits its directors' personal liability to the fullest extent permitted by the DGCL. Article 10 of our Amended and Restated Certificate of Incorporation provides that we will indemnify any director or officer who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she is or was a director or officer of Berry Corp. or is or was serving at the request of Berry Corp. as a director, officer, manager, employee or agent of another corporation or of a limited liability company, partnership, joint venture, trust or other enterprise, except that we will indemnify any such person seeking indemnification in connection with a proceeding initiated by that person, only if that proceeding was authorized by the board of directors. The right to indemnification includes the right to be paid the expenses incurred in defending any such proceeding in advance of its final disposition.

We have also entered into indemnification agreements with each of our directors and officers that provide contractual rights to indemnity and expense advancement and include related provisions meant to facilitate the indemnitees' receipt of such benefits. Under these indemnification agreements, we must maintain directors and officers insurance. The terms of the indemnification agreements provide that we will indemnify the officers and directors against all losses that occur as a result of the indemnitee's corporate status, including, without limitation, all liability arising out of the sole, contributory, comparative or other negligence, or active or passive wrongdoing of the indemnitee. Except as otherwise provided in the indemnification agreements, the only limitation that will exist upon our indemnification obligations pursuant to the agreements is that we are not obligated to make any payment to an indemnitee that is finally adjudged to be prohibited by applicable law. Under the indemnification agreements, we also agree to pay all expenses for which we may be jointly liable with an indemnitee and to waive any potential right of contribution we might otherwise have. Further, we agree to advance expenses to indemnitees in connection with proceedings brought as a result of the indemnitee's corporate status.

The above discussion of our Amended and Restated Certificate of Incorporation, indemnification agreements with our officers and directors, and Sections 102(b)(7) and 145 of the DGCL is not intended to be exhaustive and is qualified in its entirety by such Amended and Restated Certificate of Incorporation, indemnification agreements, and statutes.

Berry Corp. currently maintains an insurance policy which, within the limits and subject to the terms and conditions thereof, covers certain expenses and liabilities that may be incurred by directors and officers in connection with proceedings that may be brought against them as a result of an act or omission committed or suffered while acting as a director or officer.

Item 15. Recent Sales of Unregistered Securities.

On February 28, 2017, in connection with the emergence of Berry LLC from Chapter 11, we issued 32,920,000 shares of our common stock and 35,845,001 shares of Series A Preferred Stock pursuant to the Plan of Reorganization. 336,586 of the shares of Series A Preferred Stock were issued pursuant to an exemption from registration under Section 4(a)(2) of the Securities Act. The remaining shares of Series A Preferred Stock and all of the common stock were issued pursuant to an exemption from registration under Section 1145(a)(1) of the Bankruptcy Code.

On February 8, 2018, we completed the 2018 Notes Offering. The 2026 Notes were issued at a price of 100% of par, and the sale resulted in net proceeds (after deducting the Initial Purchasers' discounts and commissions and estimated offering expenses and excluding accrued interest) to the Company of approximately $392 million. We used the net proceeds to repay borrowings under our RBL Facility and for general corporate purposes.

The 2026 Notes were issued and sold to the Initial Purchasers in a private placement exempt from the registration requirements of the Securities Act. The Initial Purchasers intend to resell the New Notes to qualified institutional buyers inside the United States in reliance on Rule 144A of the Securities Act and to persons outside the United States under Regulation S of the Securities Act.

Item 16. Exhibits.

Exhibit Number	Description
1.1*	Form of Underwriting Agreement
2.1	Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC, dated January 25, 2017

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of Berry Petroleum Corporation
3.2	Amended and Restated Bylaws of Berry Petroleum Corporation
3.3	First Amendment to the Amended and Restated Bylaws of Berry Petroleum Corporation
3.4	Certificate of Designation of Series A Convertible Preferred Stock of Berry Petroleum Corporation
4.1	Form of Common Stock Certificate of Berry Petroleum Corporation
4.2	Form of Series A Convertible Preferred Stock Certificate of Berry Petroleum Corporation
4.3	Indenture dated as of February 8, 2018, among Berry Petroleum Company, LLC, Berry Petroleum Corporation and Wells Fargo Bank, N.A., as trustee
5.1*	Form of Opinion of Vinson & Elkins L.L.P.
10.1	Assignment Agreement, dated February 28, 2017, between Linn Acquisition Company, LLC and Berry Petroleum Corporation
10.2	Transition Services and Separation Agreement, dated February 28, 2017, by and among Berry Petroleum Company, LLC, Linn Energy, LLC and certain of its affiliates and subsidiaries
10.3	Stockholders Agreement, dated February 28, 2017, between Berry Petroleum Corporation and certain holders party thereto
10.4	Registration Rights Agreement, dated February 28, 2017, among Berry Petroleum Corporation and the holders party thereto
10.5†*	Executive Employment Agreement, dated March 1, 2017, between Berry Petroleum Corporation and Arthur T. Smith
10.6†*	Executive Employment Agreement, dated June 28, 2017, between Berry Petroleum Corporation and Cary Baetz
10.7†*	Executive Employment Agreement, dated June 28, 2017, between Berry Petroleum Corporation and Gary A. Grove
10.8†*	Berry Petroleum Corporation 2017 Omnibus Incentive Plan
10.9†*	Berry Petroleum Corporation Form of Nonqualified Stock Option Grant Certificate
10.10†*	Berry Petroleum Corporation Form of Restricted Stock Unit Grant Certificate
10.11†*	Berry Petroleum Corporation Form of Director Restricted Stock Unit Grant Certificate
10.12*	Form of Indemnification Agreement
10.13	Credit Agreement, dated February 28, 2017, by and among Berry Petroleum Company, LLC, as borrower, Berry Petroleum Corporation, as guarantor, Wells Fargo Bank, N.A., as administrative agent, and certain lenders
10.14	Guaranty Agreement, dated February 28, 2017, among Berry Petroleum Company, LLC and Berry Petroleum Corporation, as guarantors, and Wells Fargo Bank, N.A., as administrative agent
10.15	Pledge Agreement, dated February 28, 2017, among Berry Petroleum Company, LLC and Berry Petroleum Corporation, as pledgors, and Wells Fargo Bank, N.A., as administrative agent
10.16	Security Agreement, dated February 28, 2017, among Berry Petroleum Company, LLC and Berry Petroleum Corporation, as debtors, and Wells Fargo Bank, N.A., as administrative agent

Exhibit Number	Description
10.17	Credit Agreement, dated July 31, 2017, by and among Berry Petroleum Company, LLC, as borrower, Berry Petroleum Corporation, as guarantor, Wells Fargo Bank, N.A., as administrative agent and issuing lender, and certain lenders
10.18	Guaranty Agreement, dated July 31, 2017, among Berry Petroleum Company, LLC and Berry Petroleum Corporation, as guarantors, and Wells Fargo Bank, N.A., as administrative agent
10.19	Pledge Agreement, dated July 31, 2017, among Berry Petroleum Company, LLC and Berry Petroleum Corporation, as pledgors, and Wells Fargo Bank, N.A., as administrative agent
10.20	Security Agreement, dated July 31, 2017, among Berry Petroleum Company, LLC and Berry Petroleum Corporation, as debtors, and Wells Fargo Bank, N.A., as administrative agent
21.1	List of Subsidiaries of Berry Petroleum Corporation
23.1*	Consent of Vinson & Elkins L.L.P. (included in Exhibit 5.1)
23.2*	Consent of KPMG LLP
23.3*	Consent of DeGolyer and MacNaughton
24.1*	Powers of Attorney of the Directors and Officers of the Registrant (included on signature pages of this Registration Statement)
99.1	Report as of November 30, 2017 of DeGolyer and MacNaughton

(*) To be filed by amendment.
(†) Indicates a management contract or compensatory plan or arrangement.

Item 17. Undertakings.

The undersigned registrant hereby undertakes:

(a) to provide to the underwriter at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriter to permit prompt deliver to each purchaser;

(b) to file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the “Calculation of Registration Fee” table in the effective registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in this registration statement;

(c) that, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

(d) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;

(e) that, for purposes of determining liability under the Securities Act of 1933 to any purchaser:

(i) If the registrant is relying on Rule 430B:

(A) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of this registration statement as of the date the filed prospectus was deemed part of and included in this registration statement; and

(B) each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; or

(ii) if the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness; provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Bakersfield, State of California, on , 2018.

Berry Petroleum Corporation

By: _____
Name: Arthur T. Smith
Title: President and Chief Executive Officer

Each person whose signature appears below hereby constitutes and appoints and , and each of them, any of whom may act without the joinder of the other, as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution for him in any and all capacities, to sign any or all amendments or post-effective amendments to this Registration Statement, or any Registration Statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and to file the same, with exhibits hereto and other documents in connection therewith or in connection with the registration of the securities under the Securities Act of 1933, as amended, with the Securities and Exchange Commission, granting unto such attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary in connection with such matters and hereby ratifying and confirming all that such attorneys-in-fact and agents or his substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on , 2018.

Signature	Title
Arthur T. Smith	President and Chief Executive Officer, and Director (Principal Executive Officer)
Cary Baetz	Executive Vice President and Chief Financial Officer, and Director (Principal Financial and Accounting Officer)
Eugene J. Voiland	Director
Brent S. Buckley	Director
Kaj Vazales	Director

Exhibit 2.1

THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
VICTORIA DIVISION

In re:	)	Chapter 11
LINN ENERGY, LLC, *et al.*,[1]	)	Case No. 16-60040
Debtors.	)	(Jointly Administered)
	)	**David R. Jones**

AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF
LINN ACQUISITION COMPANY, LLC AND BERRY PETROLEUM COMPANY, LLC

Paul M. Basta, P.C. (admitted *pro hac vice*)
Stephen E. Hessler, P.C. (admitted *pro hac vice*)
Brian S. Lennon (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900

–and–

James H.M. Sprayregen, P.C. (admitted *pro hac vice*)
Joseph M. Graham (admitted *pro hac vice*)
Alexandra Schwarzman (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
300 North LaSalle
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200

Co-Counsel to the Debtors and Debtors in Possession

Patricia B. Tomasco (TX Bar No. 01787600)
Matthew D. Cavenaugh (TX Bar No. 24062656)
Jennifer F. Wertz (TX Bar No. 24072822)
JACKSON WALKER L.L.P.
1401 McKinney Street, Suite 1900
Houston, Texas 70010
Telephone: (713) 752-4200

Co-Counsel to the Debtors and Debtors in Possession

Thomas B. Walper (admitted *pro hac vice*)
Seth Goldman (admitted *pro hac vice*)
MUNGER, TOLLES & OLSON LLP
355 S. Grand Avenue, 35th Floor
Los Angeles, CA 90071
Telephone: (213) 683-9100

Counsel to the Berry Debtors and Berry Debtors in Possession

Dated: January 25, 2017

[1] The Debtors in these chapter 11 cases and the last four digits of each Debtor's federal tax identification number are as follows: Linn Energy, LLC (7591); Berry Petroleum Company, LLC (9387); LinnCo, LLC (6623); Linn Acquisition Company, LLC (4791); Linn Energy Finance Corp. (5453); Linn Energy Holdings, LLC (6517); Linn Exploration & Production Michigan LLC (0738); Linn Exploration Midcontinent, LLC (3143); Linn Midstream, LLC (9707); Linn Midwest Energy LLC (1712); Linn Operating, Inc. (3530); Mid-Continent I, LLC (1812); Mid-Continent II, LLC (1869); Mid-Continent Holdings I, LLC (1686); and Mid-Continent Holdings II, LLC (7129). The Debtors' principal offices are located at JPMorgan Chase Tower, 600 Travis Street, Houston, Texas 77002.

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INTRODUCTION

Linn Acquisition Company, LLC and Berry Petroleum Company, LLC, as debtors and debtors in possession, propose this amended joint plan of reorganization (the "Plan") for the resolution of the outstanding claims against, and interests in, the Berry Debtors pursuant to the Bankruptcy Code. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in Article I.A of the Plan. Holders of Claims and Interests should refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, historical financial information, events during the Chapter 11 Cases, and projections of future operations for the Berry Debtors, as well as a summary and description of the Plan and certain related matters. The Berry Debtors are the proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code. The Plan constitutes a separate plan of reorganization for each of the Berry Debtors, and, for the avoidance of doubt, is separate from the plan of reorganization that governs the restructuring of the LINN Debtors.

ALL HOLDERS OF CLAIMS AND INTERESTS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

ARTICLE I.
DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME, AND GOVERNING LAW

A. Defined Terms.

As used in the Plan, capitalized terms have the meanings set forth in the Introduction above or in the definitions below.

1. "*503(b)(9) Claim*" means a Claim or any portion thereof entitled to administrative expense priority pursuant to section 503(b)(9) of the Bankruptcy Code.

2. "*Adequate Protection Claims*" means the Berry Adequate Protection Claims (as defined in the Cash Collateral Order).

3. "*Ad Hoc Group of Berry Unsecured Noteholders*" means that certain ad hoc group of Holders of Berry Unsecured Notes represented by Quinn Emanuel Urquhart & Sullivan, LLP, Norton Rose Fulbright US LLP, and Houlihan Lokey, Inc., or any of its members or their affiliates.

4. "*Administrative Claim*" means a Claim for costs and expenses of administration of the Berry Estates under sections 503(b) (including 503(b) (9) Claims), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date through the Effective Date of preserving the Berry Estates and operating the businesses of the Debtors; (b) Allowed Professional Fee Claims; (c) all fees and charges assessed against the Berry Estates under chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1911–1930; and (d) all Intercompany Claims authorized pursuant to the Cash Management Order (subject to the terms of the Berry-LINN Intercompany Settlement) to the extent provided in the Cash Management Order.

5. "*Administrative Claims Bar Date*" means the deadline for Filing requests for payment of Administrative Claims other than those that accrued in the ordinary course of the Berry Debtors' business, which such deadline: (a) with respect to General Administrative Claims other than those that were accrued in the ordinary course of business, shall be 30 days after the Effective Date; and (b) with respect to Professional Fee Claims, shall be 60 days after the Effective Date.

6. "*Affiliate*" has the meaning set forth in section 101(2) of the Bankruptcy Code.

7. "*Allowed*" means with respect to any Claim or Interest, except as otherwise provided herein: (a) a Claim or Interest in a liquidated amount as to which no objection has been Filed prior to the Claims Objection Deadline and that is evidenced by a Proof of Claim or Interest, as applicable, timely Filed by the applicable Bar Date or that is not required to be evidenced by a Filed Proof of Claim or Interest, as applicable, under the Plan, the Bankruptcy Code, or a Final Order; (b) a Claim or Interest that is scheduled by the Debtors as neither disputed, contingent, nor unliquidated, and as for which no Proof of Claim or Interest, as applicable, has been timely Filed in an unliquidated or a different amount; or (c) a Claim or Interest that is upheld or otherwise allowed (i) pursuant to the Plan, (ii) in any stipulation that is approved by the Bankruptcy Court, (iii) pursuant to any contract, instrument, indenture, or other agreement entered into or assumed in connection herewith, or (iv) by Final Order (including any such Claim to which the Debtors had objected or which the Bankruptcy Court had disallowed prior to such Final Order); *provided*, that with respect to a Claim or Interest described in clauses (a) and (b) above, such Claim or Interest shall be considered Allowed only if and to the extent that with respect to such Claim or Interest no objection to the allowance thereof has been or, in the Debtors' or Reorganized Debtors' reasonable good faith judgment, may be interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Court, or such an objection is so interposed and the Claim or Interest, as applicable, shall have been Allowed by a Final Order. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim or Interest is or has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes such Debtor or Reorganized Debtor, as applicable. For the avoidance of doubt, a Proof of Claim or Interest Filed after the Bar Date shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-Filed Claim. "Allow" and "Allowing" shall have correlative meanings.

8. *"Assumed Executory Contracts and Unexpired Leases"* means those Executory Contracts and Unexpired Leases to be assumed by the applicable Reorganized Berry Debtors, as set forth on the Assumed Executory Contract and Unexpired Lease List.

9. *"Assumed Executory Contract and Unexpired Lease List"* means the list, as determined by the Berry Debtors or the Reorganized Berry Debtors, as applicable, of Executory Contracts and Unexpired Leases (with proposed cure amounts) that will be assumed by the Reorganized Berry Debtors, which list shall be included in the Plan Supplement; *provided*, that such list with respect to material Executory Contracts and/or material Unexpired Leases shall be reasonably acceptable to the Required Consenting Berry Creditors.

10. *"Bankruptcy Code"* means title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as amended from time to time.

11. *"Bankruptcy Court"* means the United States Bankruptcy Court for the Southern District of Texas or any other court having jurisdiction over the Chapter 11 Cases, including, to the extent of the withdrawal of any reference under 28 U.S.C. § 157, the United States District Court for the Southern District of Texas.

12. *"Bankruptcy Rules"* means the Federal Rules of Bankruptcy Procedure promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.

13. *"Bar Date"* means the applicable dates established by which respective Proofs of Claims and Interests must be Filed pursuant to the *Order (I) Setting Bar Dates for Filing Proofs of Claim, Including Requests for Payment under Section 503(b)(9), (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and Manner for Filing Proofs of Claim, Including Section 503(b)(9) Requests, and (IV) Approving Notice of Bar Dates*, dated August 4, 2016 [Docket No. 756].

14. *"Berry"* means Berry Petroleum Company, LLC, a Delaware limited liability company.

15. *"Berry 2020 Unsecured Notes"* means those certain 6.75% senior unsecured notes due 2020, issued by Berry pursuant to the Berry Unsecured Notes Indenture.

16. *"Berry 2022 Unsecured Notes"* means those certain 6.375% senior unsecured notes due 2022, issued by Berry pursuant to the Berry Unsecured Notes Indenture.

17. "*Berry Administrative Agent*" means Wells Fargo Bank, National Association, as administrative agent under the Berry Credit Agreement.

18. "*Berry Backstop Agreement*" means that certain Backstop Commitment Agreement, dated as of December 20, 2016, by and among Berry, LAC, and the Berry Backstop Parties.

19. "*Berry Backstop Agreement Order*" means the Order (a) authorizing the Berry Debtors to enter into and perform their obligations under the Berry Backstop Agreement, and (b) providing that each of (i) the Berry Backstop Commitment Premium, (ii) any payments pursuant to the indemnification obligations payable by the Berry Debtors under the Berry Backstop Agreement, and (iii) any expense reimbursement payable by the Berry Debtors under the Berry Backstop Agreement shall constitute allowed administrative expenses of the Berry Debtors' Estates under sections 503(b) and 507 of the Bankruptcy Code and shall be payable by the Berry Debtors as provided in the Berry Backstop Agreement Order, which Order shall be reasonably satisfactory to the Required Consenting Berry Noteholders.

20. "*Berry Backstop Commitment Premium*" means a nonrefundable aggregate premium equal to $23,450,000, which represents 7.0 percent of the Berry Rights Offerings Amount if there is a Berry Rights Offerings Increase, payable pursuant to the terms of the Berry Backstop Agreement Order in either (i) 2,345,000 additional shares of Reorganized Berry Preferred Stock, which stock will be convertible into Berry Common Stock, or (ii) if applicable, Cash.

21. "*Berry Backstop Parties*" means each Berry Initial Backstop Party and those certain Holders of Allowed Berry Unsecured Notes Claims that are parties to the Berry Backstop Agreement as of the relevant determination date who have agreed to provide a backstop commitment with regard to the Berry Rights Offerings, and each of their permitted transferees under the Berry Backstop Agreement.

22. "*Berry Credit Agreement*" means that certain Credit Agreement, dated as of November 25, 2010, by and among Berry, as borrower, the Berry Administrative Agent, and the lenders and agents party thereto, as may be amended, restated, or otherwise supplemented from time to time.

23. "*Berry Debtors*" means Berry and LAC.

24. "*Berry Exit Facility*" means the reserve based lending facility with (i) the Berry Exit Facility Initial Borrowing Base, (ii) Berry Lender Commitments equal to the Berry Exit Facility Initial Borrowing Base, and (iii) with initial outstanding borrowings equal to not more than $450 million minus the aggregate original principal amount of the Reorganized Berry Non-Conforming Term Notes (if any) issued by Reorganized Berry to Non-Electing Berry Lenders, with the remaining commitment available to be drawn, subject to the Berry Exit Facility Initial Borrowing Base and the conditions precedent to each draw, and subject to the terms and conditions set forth in the Berry Exit Facility Documents.

25. "*Berry Exit Facility Documents*" means in connection with the Berry Exit Facility, any new credit agreement, collateral documents, Uniform Commercial Code statements, guarantees, and other instruments, certificates, agreements, and other documents, to be dated as of the Effective Date, governing the Berry Exit Facility, which documents shall be included in the Plan Supplement in form and substance reasonably acceptable to the Berry Debtors and the Required Consenting Berry Creditors and shall be consistent with the Berry Exit Facility Term Sheet.

26. "*Berry Exit Facility Initial Borrowing Base*" means an initial borrowing base with respect to the Berry Exit Facility subject to the terms and conditions set forth in the Berry Exit Facility Documents equal to $550 million minus the aggregate original principal amount of the Reorganized Berry NonConforming Term Notes (if any) issued to Non-Electing Berry Lenders.

27. "*Berry Exit Facility Term Sheet*" means that certain term sheet setting forth the principal terms of the Berry Exit Facility, attached as Exhibit B to the Berry RSA.

28. "*Berry First Tranche Rights*" means the non-certificated rights to be distributed to the Berry Initial Backstop Parties that will enable the Holders thereof to purchase shares of Reorganized Berry Preferred Stock in the Berry First Tranche Rights Offering pursuant to the terms of the Berry Rights Offerings Procedures and the Berry Backstop Agreement.

29. "*Berry First Tranche Rights Offering*" means the offering of Berry Rights to the Berry Initial Backstop Parties, pursuant to which such parties are eligible to receive Reorganized Berry Preferred Stock at the Berry First Tranche Rights Offering Amount.

30. "*Berry First Tranche Rights Offering Amount*" means $60 million in aggregate amount of Berry First Tranche Rights to receive Reorganized Berry Preferred Stock at a price per share set by the Berry Backstop Agreement.

31. "*Berry General Unsecured Claims*" means any Unsecured Claim against a Berry Debtor that (a) is not otherwise paid in full pursuant to an order of the Bankruptcy Court, and (b) is not a Berry Unsecured Notes Claim.

32. "*Berry GUC Cash Distribution Pool*" means an aggregate amount of $35,000,000 in Cash, which shall be irrevocably funded on the Effective Date by the Berry Debtors or the Reorganized Berry Debtors, as applicable, and which shall be placed in a segregated bank account not subject to the control of the lenders or the administrative agent under the Berry Exit Facility, and administered by the Reorganized Berry Debtors for the sole benefit of the Holders of Allowed Berry General Unsecured Claims and/or applicable Allowed Berry Unsecured Notes Claims that irrevocably elect on each such Holder's ballot to receive its Pro Rata Share of the $35,000,000 in Cash, and which account shall not, at any time, be subject to any liens, security interests, mortgages, or other encumbrances; *provided, however,* that (a) in no event shall the Holders of any Allowed Berry General Unsecured Claims and/or applicable Allowed Berry Unsecured Notes Claims that irrevocably elect to receive a Pro Rata share in Cash of the Berry GUC Cash Distribution Pool receive a Cash recovery in excess of $0.35 on each $1.00 of its Allowed Berry General Unsecured Claim and/or applicable Allowed Berry Unsecured Notes Claims, and (b) a portion of the Berry GUC Cash Distribution Pool may be used in connection with the claims reconciliation process to the extent agreed to in accordance with Article VII.B and as set forth in the Confirmation Order.

33. "*Berry Initial Backstop Parties*" means Oaktree Capital Management, L.P. and/or Benefit Street Partners, L.L.C., or their respective affiliated funds that are parties to the Berry Backstop Agreement.

34. "*Berry Intercompany Claims*" means any Claim held by one Debtor against a Berry Debtor, other than the Berry Intercompany Settled Claims.

35. "*Berry Intercompany Settled Claims*" means those certain Intercompany Claims held by the LINN Debtors against the Berry Debtors that shall be settled pursuant to the Berry-LINN Intercompany Settlement and the Plan.

36. "*Berry Lender*" means any secured party pursuant to the Berry Credit Agreement and Loan Documents (as defined in the Berry Credit Agreement).

37. "*Berry Lender Claims*" means any Claim against the Berry Debtors derived from or based upon the Berry Credit Agreement, including any Adequate Protection Claims of the Berry Lenders. The Berry Lender Claims are Allowed Claims as set forth in the proof of claim filed by the Berry Administrative Agent in the amount determined pursuant to Article III.B.3.

38. "*Berry Lender Paydown*" means Cash payments from (a) the $300 million from Cash proceeds of the Berry Rights Offerings, (b) the prepetition collateral account defined as the "Borrowing Base Account" in the Berry Credit Agreement, and (c) other amounts from the Berry Debtors' Cash on hand, all in an amount equal to that necessary to satisfy the anti-hoarding provisions in the Berry Exit Facility, after payment of costs and expenses of the Chapter 11 Cases and payments and reserves expressly provided for in the Plan and consistent therewith. For the avoidance of doubt, the Berry Lender Paydown shall be in an aggregate amount equal to (a) the aggregate

amount of all Allowed Berry Lender Claims minus (b) the sum of (i) the principal amount of the Berry Exit Facility (which amount shall not exceed $450 million minus the aggregate original principal amount of the Reorganized Berry Non-Conforming Term Notes on the Effective Date), plus (ii) the aggregate original principal amount of the Reorganized Berry Non-Conforming Term Notes; *provided*, that none of the Non-Electing Berry Lenders shall receive any portion of the Berry Lender Paydown and shall receive only a Reorganized Berry Non-Conforming Note in a principal amount equal to its Allowed Berry Lender Claim; *provided, further*, that each Electing Berry Lender shall receive a Berry Lender Paydown payment in the amount of (a) its Allowed Berry Lender Claim less (b) the amount of such Electing Berry Lender's Allowed Berry Lender Claim that is deemed to be drawn loan pursuant to the Berry Exit Facility, plus (c) a Pro Rata share with respect to all Electing Berry Lenders of the amount of the Berry Lender Paydown that would otherwise be payable to a Non-Electing Berry Lender had such Non-Electing Berry Lender been a Consenting Berry Lender; provided, that any amount paid to such Electing Lender pursuant to clause (c) shall reduce the amount deemed to be drawn debt pursuant to clause (b).

39. "*Berry-LINN Intercompany Settlement*" means that certain settlement of the Berry Intercompany Settled Claims and the LINN Intercompany Settled Claims pursuant to the terms of the Plan and the Berry-LINN Intercompany Settlement Term Sheet, which shall be in form and substance reasonably acceptable to the LINN Debtors, the Berry Debtors, the Required Consenting LINN Creditors, and the Required Consenting Berry Creditors.

40. "*Berry-LINN Intercompany Settlement Term Sheet*" means that certain term sheet with respect to the Berry-LINN Intercompany Settlement to be included in the Plan Supplement.

41. "*Berry Restructuring Transactions*" means, collectively, those mergers, amalgamations, consolidations, arrangements, continuances, restructurings, transfers, conversions, dispositions, liquidations, dissolutions, or other corporate transactions that the Berry Debtors, the Required Consenting Berry Creditors, and the Berry Backstop Parties reasonably determine to be necessary or desirable to implement the Plan with respect to the Berry Debtors in a manner consistent with the Berry RSA and the Berry Backstop Agreement, including, without limitation, the Berry Rights Offerings, the Berry Exit Facility, the transactions contemplated by the New Organizational Documents, the transfer of assets to the Reorganized Berry Debtors that is intended to be a taxable transaction for U.S. federal income tax purposes, and the formation of Reorganized Berry, in each case, subject to the reasonable consent and approval rights of the applicable parties as set forth in the Berry RSA and the Berry Backstop Agreement, and the establishment and funding of the Berry GUC Cash Distribution Pool.

42. "*Berry Rights*" means the non-certificated rights that will enable the Holders thereof to purchase Reorganized Berry Preferred Stock in the Berry Rights Offerings at an aggregate purchase price of $300 million (or, if there is a Berry Rights Offering Increase, $335 million) at a price per share of $10.00, which Reorganized Berry Preferred Stock will be convertible into Reorganized Berry Common Stock.

43. "*Berry Rights Offerings*" means, collectively, (a) the Berry First Tranche Rights Offering, and (b) the Berry Second Tranche Rights Offering, both of which shall be conducted in connection with the Berry Restructuring Transactions pursuant to the Berry Backstop Agreement and Berry Backstop Agreement Order, and in accordance with the Berry Rights Offerings Procedures.

44. "*Berry Rights Offerings Amount*" means $300 million (or, if there is a Berry Rights Offerings Increase, $335 million) in aggregate amount of Berry Rights (as divided between (a) the Berry First Tranche Rights Offering Amount and (b) the Berry Second Tranche Rights Offering Amount).

45. "*Berry Rights Offerings Increase*" means, as set forth in the Berry Backstop Agreement, the increase of the Berry Second Tranche Rights Offering by $35 million that shall occur upon either (a) the mutual agreement between the Berry Debtors and the Berry Backstop Parties that additional Cash is required to fund the Plan, or (b) the Bankruptcy Court determines that the Plan is not feasible without additional funds in order to fund the Berry GUC Cash Distribution Pool.

46. "*Berry Rights Offerings Participants*" means, collectively, (a) the Holders of Allowed Berry Unsecured Notes Claims as of the Berry Rights Offerings Record Date, and (b) the Berry Backstop Parties.

47. "*Berry Rights Offerings Procedures*" means those certain rights offering procedures with respect to the Berry Rights Offerings, attached to the motion seeking approval of the Berry Backstop Agreement Order.

48. "*Berry Rights Offerings Record Date*" means the record date set by the Berry Rights Offerings Procedures, as of which date an Entity must be a record Holder of Allowed Berry Unsecured Notes Claims in order to be eligible to be a Berry Rights Offerings Participant.

49. "*Berry RSA*" means that certain Amended and Restated Restructuring Support Agreement, dated as of December 20, 2016, by and between the Berry Debtors and the Consenting Berry Creditors, as may be amended, restated, or supplemented from time to time.

50. "*Berry Second Tranche Rights*" means the non-certificated rights to be distributed to the Berry Rights Offerings Participants that will enable the Holders thereof to purchase shares of Reorganized Berry Preferred Stock in the Berry Second Tranche Rights Offering pursuant to the terms of the Berry Rights Offerings Procedures and the Berry Backstop Agreement.

51. "*Berry Second Tranche Rights Offering*" means the offering of Berry Rights to the Berry Rights Offerings Participants, pursuant to which such parties are eligible to receive Reorganized Berry Preferred Stock at the Berry Second Tranche Rights Offering Amount.

52. "*Berry Second Tranche Rights Offering Amount*" means $240 million (or, if there is a Berry Rights Offerings Increase, $275 million) in aggregate amount of Berry Second Tranche Rights to receive Reorganized Berry Preferred Stock at a price per share set by the Berry Backstop Agreement.

53. "*Berry Unsecured Notes*" means, collectively, (a) the Berry 2020 Unsecured Notes, and (b) the Berry 2022 Unsecured Notes.

54. "*Berry Unsecured Notes Claims*" means any Claim derived from or based upon the Berry Unsecured Notes.

55. "*Berry Unsecured Notes Indenture*" means that certain Indenture, dated as of June 15, 2006, by and between Berry, as issuer, and Wells Fargo Bank, National Association, as indenture trustee, as may be amended, restated, or supplemented from time to time.

56. "*Berry Unsecured Notes Trustee*" means the Bank of New York Mellon Trust Company, N.A., in its capacity as indenture trustee under the Berry Unsecured Notes, and any successor thereto.

57. "*Business Day*" means any day, other than a Saturday, Sunday, or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

58. "*Cash*" means the legal tender of the U.S. and equivalents thereof, including bank deposits, checks, and other similar items.

59. "*Cash Collateral Order*" means the *Final Order under 11 U.S.C. §§ 105, 361, 362, 363, 507 and 552, and Bankruptcy Rules 2002, 4001 and 9014 (I) Authorizing Debtors to Use Cash Collateral and (II) Granting Adequate Protection to Prepetition Lenders* [Docket No. 743], as may be amended.

60. "*Cash Management Order*" means the *Final Order (I) Authorizing the Debtors to (A) Continue to Operate Their Cash Management System and Maintain Existing Bank Accounts and (B) Continue to Perform Intercompany Transactions, and (II) Granting Related Relief* [Docket No. 731], as may be amended.

61. "*Causes of Action*" means any claims, interests, damages, remedies, causes of action, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or

unsecured, assertable, directly or derivatively, matured or unmatured, suspected or unsuspected, in contract, tort, law, equity, or otherwise. Causes of Action also include: (a) all rights of setoff, counterclaim, cross claim, reduction, subordination, or recoupment and claims under contracts or for breaches of duties imposed by law or regulation; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to sections 362, 510, 542, 543, 544 through 550, or 553 of the Bankruptcy Code; and (d) such claims and defenses as fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code.

62. "*Chapter 11 Cases"* means, collectively: (a) when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court; and (b) when used with reference to all the Debtors, the procedurally consolidated and jointly administered chapter 11 cases pending for the Debtors in the Bankruptcy Court.

63. "*Claim*" means any claim, as defined in section 101(5) of the Bankruptcy Code, against any of the Debtors.

64. "*Claims and Noticing Agent"* means Prime Clerk LLC, retained as the Debtors' notice and claims agent pursuant to the *Order Authorizing Retention and Appointment of Prime Clerk LLC as the Claims, Noticing, and Solicitation Agent* [Docket No. 79].

65. "*Claims Objection Deadline"* means the later of: (a) the date that is 180 days after the Effective Date; and (b) such other date as may be fixed by the Bankruptcy Court, after notice and hearing, upon a motion Filed before the expiration of the deadline to object to Claims or Interests.

66. "*Claims Register"* means the official register of Claims maintained by the Claims and Noticing Agent.

67. "*Class*" means a category of Claims or Interests as set forth in Article III of the Plan.

68. "*CM/ECF*" means the Bankruptcy Court's Case Management and Electronic Case Filing system.

69. "*Committee*" means the statutory committee of unsecured creditors of the Debtors, appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on May 23, 2016, the membership of which may be reconstituted from time to time.

70. "*Confirmation*" means the entry of the Confirmation Order on the docket of the Chapter 11 Cases.

71. "*Confirmation Date"* means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

72. "*Confirmation Hearing"* means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code.

73. "*Confirmation Order"* means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

74. "*Consenting Berry Creditors"* means, collectively, (a) the Consenting Berry Lenders, and (b) the Consenting Berry Noteholders.

75. "*Consenting Berry Lenders"* means, collectively, those certain Holders of Berry Lender Claims that are or become parties to the Berry RSA from time to time.

76. "*Consenting Berry Noteholders"* means, collectively, those certain Holders of Berry Unsecured Notes Claims that are or become parties to the Berry RSA from time to time (including any party having the ability to direct or control such notes).

77. "*Consummation*" means the occurrence of the Effective Date.

78. "Cure *Claim"* means a Claim (unless waived or modified by the applicable counterparty) based upon the Debtors' defaults on an Executory Contract or Unexpired Lease at the time such Executory Contract or Unexpired Lease is assumed by the Berry Debtors pursuant to section 365 of the Bankruptcy Code, other than with respect to a default that is not required to be cured under section 365(b)(2) of the Bankruptcy Code.

79. "*Debtors*" means, collectively: (a) Linn Energy, LLC; (b) Berry Petroleum Company, LLC; (c) LinnCo, LLC; (d) Linn Acquisition Company, LLC; (e) Linn Energy Finance Corp.; (f) Linn Energy Holdings, LLC; (g) Linn Exploration & Production Michigan LLC; (h) Linn Exploration Midcontinent, LLC; (i) Linn Midstream, LLC; (j) Linn Midwest Energy LLC; (k) Linn Operating, Inc.; (l) Mid-Continent I, LLC; (m) Mid-Continent II, LLC; (n) Mid-Continent Holdings I, LLC; and (o) Mid-Continent Holdings II, LLC.

80. "*D&O Liability Insurance Policies"* means all insurance policies (including any "tail policy") of any of the Berry Debtors (or the LINN Debtors or the Reorganized LINN Debtors, as applicable, to the extent such coverage applies to the Berry Debtors) for current or former directors', managers', and officers' liability.

81. "*Disclosure Statement"* means the *Disclosure Statement for the Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC*, dated December 20, 2016 [Docket No. 1391], as may be amended, including all exhibits and schedules thereto, as approved pursuant to the Disclosure Statement Order.

82. "*Disclosure Statement Order"* means the *Order (I) Approving the Adequacy of the Disclosure Statement, (II) Approving the Solicitation and Notice Procedures with Respect to Confirmation of the Amended Joint Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC, (III) Approving the Forms of Ballots and Notices in Connection Therewith, and (IV) Granting Related Relief* [Docket No. 1399].

83. "*Disputed*" means with regard to any Claim or Interest, a Claim or Interest that is not yet Allowed.

84. "*Distribution Record Date"* means, other than with respect to any publicly-held securities, the record date for purposes of making distributions under the Plan on account of Allowed Claims and Allowed Interests, which date shall be the date that is five (5) Business Days after the Confirmation Date or such other date as designated in a Final Order of the Bankruptcy Court; *provided, however,* that solely with respect to Berry General Unsecured Claims, the Distribution Record Date shall be the first date that is a Business Day at least fifteen (15) days after the Confirmation Date or such other date as designated in a Final Order of the Bankruptcy Court.

85. "*DTC*" means the Depository Trust Company.

86. "*Effective Date"* means, with respect to the Plan and any such applicable Berry Debtor(s), the date that is the first Business Day upon which: (a) no stay of the Confirmation Order is in effect; (b) all conditions precedent specified in Article IX.A and Article IX.B have been satisfied or waived (in accordance with Article IX.C); and (c) the Plan is declared effective with respect to such applicable Berry Debtor(s).

87. "*Effective Date Notice"* has the meaning set forth in Article II.A.2(c) herein.

88. "*Electing Berry Lender"* has the meaning set forth in Article III.B.3 herein.

89. "*Entity*" has the meaning set forth in section 101(15) of the Bankruptcy Code.

90. "*Estate*" means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

91. "*Exchange Act"* means the Securities Exchange Act of 1934, as amended.

92. "*Exculpated Parties"* means, collectively, and in each case in its capacity as such: (a) each of the Debtors, the Reorganized LINN Debtors, and the Reorganized Berry Debtors; (b) the Consenting Berry Creditors; (c) the Committee and each of its members; (d) the Berry Backstop Parties; (e) the Berry Administrative Agent; (f) the Berry Unsecured Notes Trustee; (g) the Ad Hoc Group of Berry Unsecured Noteholders; (h) each of the Berry Lenders; and (i) with respect to each of the foregoing, such Entity and its current and former Affiliates, and such Entity's and its current and former Affiliates' current and former members, equity holders (regardless of whether such interests are held directly or indirectly), subsidiaries, officers, directors, managers, predecessors, successors, assigns, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, restructuring advisors, investment bankers, consultants, representatives, and other professionals, each in their capacity as such; *provided, however,* that neither Quantum Energy Partners, Sentinel Peak Resources, nor any of their officers, managers, or employees shall be "Exculpated Parties."

93. "*Executory Contract"* means a contract to which one or more of the Berry Debtors is a party and that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

94. "*Federal Judgment Rate"* means the federal judgment rate in effect as of the Petition Date, compounded annually.

95. "*File*," "*Filed*," or "*Filing*" means file, filed, or filing in the Chapter 11 Cases with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases, including with respect to a Proof of Claim or Proof of Interest, the Claims and Noticing Agent.

96. "*Final Order"* means (i) an order or judgment of the Bankruptcy Court, as entered on the docket in any Chapter 11 Case (or any related adversary proceeding or contested matter) or the docket of any other court of competent jurisdiction, or (ii) an order or judgment of any other court having jurisdiction over any appeal from (or petition seeking certiorari or other review of) any order or judgment entered by the Bankruptcy Court (or any other court of competent jurisdiction, including in an appeal taken) in the Chapter 11 Case (or in any related adversary proceeding or contested matter), in each case that has not been reversed, stayed, modified, or amended, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired according to applicable law and no appeal or petition for certiorari or other proceedings for a new trial, reargument, or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be timely Filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; *provided, however,* that the possibility a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or the Local Bankruptcy Rules of the Bankruptcy Court, may be filed relating to such order shall not prevent such order from being a Final Order.

97. "*Form Joint Operating Agreement"* means one or more joint operating agreements reasonably satisfactory in form and substance to the Required Consenting Berry Creditors that shall replace the existing agency agreements for the LINN Debtors and Berry and shall contain standard provisions governing the rights and obligations afforded an operator and non-operating working interest owner.

98. "*General Administrative Claim"* means any Administrative Claim, other than a Professional Fee Claim or an Adequate Protection Claim.

99. "*Governmental Unit"* has the meaning set forth in section 101(27) of the Bankruptcy Code.

100. "*Holder*" means an Entity holding a Claim or an Interest, as applicable.

101. "*Impaired*" means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

102. "*Indemnification Obligations*" means each of the Berry Debtors' indemnification obligations in place as of the Effective Date, whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, board resolutions, management or indemnification agreements, or employment or other contracts, for their current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals and agents of the Berry Debtors, as applicable.

103. "*Insurance Policies*" means any insurance policies, insurance settlement agreements, coverage-in-place agreements, or other agreements relating to the provision of insurance entered into by or issued to or for the benefit of any of the Berry Debtors or their predecessors.

104. "*Intercompany Claim*" means any Claim between one Debtor and another Debtor.

105. "*Interest*" means any equity security (as defined in section 101(16) of the Bankruptcy Code) in any Berry Debtor and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable or exchangeable securities or other agreements, arrangements or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Entity.

106. "*Interim Compensation Order*" means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 721].

107. "*Interior*" means the United States Department of the Interior.

108. "*Internal Revenue Code*" means the Internal Revenue Code of 1986, as amended.

109. "*Investment Company Act*" means the Investment Company Act of 1940, as amended.

110. "*IRS*" means the Internal Revenue Service.

111. "*Judicial Code*" means title 28 of the United States Code, 28 U.S.C. §§ 1–4001.

112. "*Lien*" has the meaning set forth in section 101(37) of the Bankruptcy Code.

113. "*LAC*" means Linn Acquisition Company, LLC, a Delaware limited liability company.

114. "*LINN*" means Linn Energy, LLC, a Delaware limited liability company.

115. "*LINN Debtors*" means, collectively, the Debtors other than the Berry Debtors.

116. "*LINN Intercompany Settled Claims*" means those certain Intercompany Claims held by the Berry Debtors against the LINN Debtors that shall be settled pursuant to the Berry-LINN Intercompany Settlement.

117. "*New Organizational Documents*" means such certificates or articles of incorporation, by-laws, limited liability company operating agreements, or other applicable formation and governance documents of each of the Reorganized Berry Debtors (including Reorganized Berry HoldCo and Reorganized Berry OpCo), as applicable, the form of which shall be included in the Plan Supplement, and which shall be reasonably satisfactory to the Berry Debtors and the Required Consenting Berry Creditors.

118. "*Non-Accredited Investor*" means any Person or Entity that does not meet the requirements of an "accredited investor" as set forth in Regulation D promulgated under section 4(a)(2) of the Securities Act.

119. "*Non-Electing Berry Lender*" has the meaning set forth in Article III.B.3 herein.

120. "*NYSE*" means the New York Stock Exchange.

121. "*Ordinary Course Professional Order"* means the *Order Authorizing the Retention and Compensation of Certain Professionals Utilized in the Ordinary Course of Business* [Docket No. 397].

122. "*Original Berry RSA"* means that certain Restructuring Support Agreement, dated as of May 10, 2016, by and among the Berry Lenders party thereto, the holders of certain Claims against LINN party thereto, and the Debtors.

123. "*Other Berry Priority Claims"* means any Claim against a Berry Debtor, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

124. "*Other Berry Secured Claims"* means any Secured Claim against a Berry Debtor other than the Berry Lender Claims.

125. "*Person*" has the meaning set forth in section 101(41) of the Bankruptcy Code.

126. "*Petition Date"* means May 11, 2016, the date on which the Debtors commenced the Chapter 11 Cases.

127. "*Plan Supplement"* means the compilation of documents and forms of documents, schedules, and exhibits to the Plan, to be Filed by the Berry Debtors no later than 14 days before the Confirmation Hearing or such later date as may be approved by the Bankruptcy Court on notice to parties in interest, and additional documents Filed with the Bankruptcy Court before the Effective Date as amendments to the Plan Supplement comprised of, among other documents, the following: (a) the New Organizational Documents; (b) the Assumed Executory Contract and Unexpired Lease List; (c) the Rejected Executory Contract and Unexpired Lease List; (d) the Retained Causes of Action List; (e) the Reorganized Berry Employee Incentive Plan Agreements; (f) the Reorganized Berry Registration Rights Agreement; (g) the identity of the members of the Reorganized Berry Board and management for the Reorganized Berry Debtors; (h) the Berry Exit Facility Documents; (i) the Reorganized Berry Non-Conforming Term Notes Documents; (j) the Transition Services Agreement; (k) the Form Joint Operating Agreement; and (l) the Berry-LINN Intercompany Settlement Term Sheet. Any reference to the Plan Supplement in the Plan shall include each of the documents identified above as (a) through (l), as applicable. Any Plan Supplement documents shall be subject to the reasonable consent of the applicable Consenting Berry Creditors as set forth in the Berry RSA.

128. "*Priority Tax Claim"* means the Claims of Governmental Units of the type specified in section 507(a)(8) of the Bankruptcy Code.

129. "*Pro Rata"* means the proportion that the amount of an Allowed Claim or Allowed Interest in a particular Class bears to the aggregate amount of the Allowed Claims or Allowed Interests in that Class, or the proportion of the Allowed Claims or Allowed Interests in a particular Class and other Classes entitled to share in the same recovery as such Claim or Interest under the Plan.

130. "*Professional*" means an Entity, excluding those Entities entitled to compensation pursuant to the Ordinary Course Professional Order: (a) retained pursuant to a Bankruptcy Court order in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Confirmation Date, pursuant to sections 327, 328, 329, 330, 331, and 363 of the Bankruptcy Code; or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code; *provided, however,* that professionals employed by the Berry Administrative Agent, the Berry Unsecured Notes Trustee, or the Ad Hoc Group of Berry Unsecured Noteholders shall not be "Professionals" for the purposes of the Plan.

131. "*Professional Fee Claims"* means all Administrative Claims for the compensation of Professionals and the reimbursement of expenses incurred by such Professionals through and including the Effective Date to the extent such fees and expenses have not been paid pursuant to the Interim Compensation Order or any other order of the Bankruptcy Court. To the extent the Bankruptcy Court denies or reduces by a Final Order any amount of a Professional's requested fees and expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.

132. "*Professional Fee Escrow Account*" means an interest-bearing account in an amount equal to the Professional Fee Reserve Amount and funded by the Debtors on the Effective Date, pursuant to Article II.A.2(b) of the Plan.

133. "*Professional Fee Reserve Amount*" means the total amount of Professional Fee Claims estimated in accordance with Article II.A.2(c) of the Plan.

134. "*Proof of Claim*" means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

135. "*Proof of Interest*" means a proof of Interest Filed against any of the Debtors in the Chapter 11 Cases.

136. "*Reinstate*," "*Reinstated*," or "*Reinstatement*" means with respect to Claims and Interests, that the Claim or Interest shall be rendered unimpaired for purposes of section 1124 of the Bankruptcy Code.

137. "*Rejected Executory Contract and Unexpired Lease List*" means the list, as determined by the Debtors or the Reorganized Berry Debtors, as applicable, of Executory Contracts and Unexpired Leases that will be rejected by the Reorganized Berry Debtors pursuant to the Plan, which list shall be included in the Plan Supplement; *provided*, that such list with respect to material Executory Contracts and/or material Unexpired Leases shall be reasonably acceptable to the Required Consenting Berry Creditors.

138. "*Released Parties*" means, collectively, and in each case only in its capacity as such: (a) each of the Debtors and the Reorganized Debtors; (b) the Consenting Berry Creditors; (c) the Berry Backstop Parties; (d) the Berry Administrative Agent; (e) the Berry Unsecured Notes Trustee; (f) the Committee and each of its members; (g) each of the Berry Lenders; (h) the Ad Hoc Group of Berry Unsecured Noteholders; and (i) with respect to each of the foregoing identified in subsections (a) through (h) herein, each of such entities' respective shareholders, affiliates, subsidiaries, members, current and former officers, current and former directors, employees, managers, agents, attorneys, investment bankers, restructuring advisors, professionals, advisors, and representatives, each in their capacities as such; *provided*, *however*, that (x) any Holder of a Claim or Interest that opts out of the releases contained in the Plan shall not be a "Released Party," and (y) neither Quantum Energy Partners, Sentinel Peak Resources, nor any of their officers, managers, or employees shall be "Released Parties."

139. "*Releasing Parties*" means, collectively, and in each case only in its capacity as such: (a) each of the Debtors and the Reorganized Debtors; (b) the Committee and each of its members; (c) the Consenting Berry Creditors; (d) the Berry Backstop Parties; (e) the Berry Unsecured Notes Trustee; (f) the Berry Administrative Agent; (g) the Ad Hoc Group of Berry Unsecured Noteholders; (h) each of the Berry Lenders; (i) without limiting the foregoing, each holder of a Claim against or an interest in the Company, in each case other than such a holder that has voted to reject the Plan, is a member of a class that is deemed to reject the Plan, or has voted to accept the Plan or abstains from voting on the Plan and who expressly opts out of the release provided by the Plan; and (j) with respect to each of the foregoing parties under (a) through (i), such Entity and its current and former Affiliates, and such Entities' and their current and former Affiliates' current and former members, directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their respective current and former members, equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such.

140. "*Reorganized*" means, as to any Debtor or Debtors, such Debtor(s) as reorganized pursuant to and under the Plan or any successor thereto, by merger, consolidation, taxable disposition, or otherwise, on or after the Effective Date.

141. "*Reorganized Berry*" means Reorganized Berry HoldCo and Reorganized Berry OpCo.

142. "*Reorganized Berry Board*" means the boards of directors or managers of Reorganized Berry on and after the Effective Date.

143. "*Reorganized Berry Common Stock*" means the new common stock or limited liability company units in Reorganized Berry HoldCo to be issued and distributed under and in accordance with the Plan.

144. "*Reorganized Berry Common Stock/General Distribution*" means 17.7 percent of the Reorganized Berry Common Stock, after allocation and reservation for the Reorganized Berry EIP Equity.

145. "*Reorganized Berry Common Stock/Noteholder Distribution*" means 82.3 percent of the Reorganized Berry Common Stock, after allocation and reservation for the Reorganized Berry EIP Equity.

146. "*Reorganized Berry Debtors*" means the Berry Debtors, as reorganized pursuant to and under the Plan, or any successor thereto, by merger, consolidation, or otherwise. For the avoidance of doubt, the Reorganized Berry Debtors shall include Reorganized Berry and shall also specifically refer to Reorganized Berry HoldCo and Reorganized Berry OpCo, as applicable.

147. "*Reorganized Berry EIP Equity*" means the stock and options in Reorganized Berry HoldCo to be issued in connection with the Reorganized Berry Employee Incentive Plan and subject to the terms of the Reorganized Berry Employee Incentive Plan Agreements.

148. "*Reorganized Berry Employee Incentive Plan*" means the employee incentive plan to be implemented with respect to Reorganized Berry on the Effective Date, the material terms of which shall be agreed upon prior to the Effective Date and as set forth in the Reorganized Berry Employee Incentive Plan Agreements.

149. "*Reorganized Berry Employee Incentive Plan Agreements*" means the agreements that will govern the terms of the Reorganized Berry Employee Incentive Plan.

150. "*Reorganized Berry Employment Agreements*" means the employment agreements by and between certain employees of the LINN Debtors, to be agreed to by the Berry Debtors, the LINN Debtors or the Reorganized LINN Debtors (as applicable), and the Required Consenting Berry Noteholders, each of which shall be assumed and assigned to Reorganized Berry on the Effective Date.

151. "*Reorganized Berry HoldCo*" means New Berry Petroleum Holdings, a limited liability company or corporation, as formed on or before the Effective Date, which shall own 100 percent of the equity of Reorganized Berry OpCo, as set forth in the Plan and the New Organizational Documents.

152. "*Reorganized Berry Non-Conforming Term Notes*" means the non-conforming term notes on the terms set forth in the Reorganized Berry Non-Conforming Term Notes Documents, which shall not be part of the Berry Exit Facility.

153. "*Reorganized Berry Non-Conforming Term Notes Documents*" means the credit agreement in respect of the Reorganized Berry NonConforming Term Notes, collateral documents, Uniform Commercial Code statements, and other loan documents, to be dated as of the Effective Date, governing the Reorganized Berry Non-Conforming Term Notes (if any).

154. "*Reorganized Berry OpCo*" means New Berry Petroleum Company, a limited liability company or corporation, as formed on or before the Effective Date, which shall be the successor in interest to Berry, as set forth in the Plan and the New Organizational Documents.

155. "*Reorganized Berry Preferred Stock*" means the preferred stock or preferred limited liability company units in Reorganized Berry HoldCo to be purchased by the participants in the Berry Rights Offerings upon the exercise of the Berry Rights, including any shares or units of Berry Backstop Commitment Premium issued to the Berry Backstop Parties, pursuant to the terms of the New Organizational Documents, the Berry Backstop Agreement, the Berry Backstop Agreement Order, and the Berry Rights Offerings Procedures.

156. "*Reorganized Berry Registration Rights Agreement*" means the registration rights agreement by and between Reorganized Berry HoldCo, the Berry Backstop Parties (including their affiliates), and certain other parties that receive Reorganized Berry Preferred Stock or 10 percent or more of the shares of Reorganized Berry Common Stock issued under the Plan and/or the Berry Rights Offerings or cannot sell their shares under Rule 144 of the Securities Act without volume or manner of sale restrictions, as of the Effective Date, pursuant to which such parties shall be entitled to customary registration rights with respect to such Reorganized Berry Preferred Stock and Reorganized Berry Common Stock, which shall be in substantially the form to be filed with the Plan Supplement and reasonably acceptable to Berry and the Required Consenting Berry Noteholders.

157. "*Reorganized Debtors*" means, collectively, and each in its capacity as such, the Debtors, as reorganized pursuant to and under the Plan or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date, and from and after the Effective Date, shall include (without limitation) Reorganized Berry.

158. "*Reorganized LINN Debtors*" means the LINN Debtors, as reorganized pursuant to and under their respective chapter 11 plan of reorganization, or any successor thereto, by merger, consolidation, or otherwise, except for those LINN Debtors that are dissolved or wound down pursuant to the terms of the Plan.

159. "*Required Consenting Berry Creditors*" means, collectively, (a) the Required Consenting Berry Lenders, and (b) the Required Consenting Berry Noteholders.

160. "*Required Consenting Berry Lenders*" means the Consenting Berry Lenders holding, controlling, or having the ability to control more than sixty-six and two-thirds (66-2/3) percent of the outstanding principal amount of Berry Lender Claims directly or indirectly held or controlled by the Consenting Berry Lenders, calculated as of such date the Consenting Berry Lenders make a determination in accordance with the Berry RSA.

161. "*Required Consenting Berry Noteholders*" means the Consenting Berry Noteholders holding, controlling, or having the ability to control more than sixty-six and two-thirds (66-2/3) percent of the outstanding principal amount of Berry Unsecured Notes Claims directly or indirectly held or controlled by the Consenting Berry Noteholders, calculated as of such date the Consenting Berry Noteholders make a determination in accordance with the Berry RSA.

162. "*Royalty and Working Interests*" means the working interests granting the right to exploit oil and gas, and certain other royalty or mineral interests, including but not limited to, landowner's royalty interests, overriding royalty interests, net profit interests, non-participating royalty interests, and production payments.

163. "*Schedules*" means the schedules of assets and liabilities, schedules of Executory Contracts or Unexpired Leases, and statement of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, the official bankruptcy forms, and the Bankruptcy Rules.

164. "*SEC*" means the Securities and Exchange Commission.

165. "*Secured*" means when referring to a Claim: (a) secured by a Lien on property in which the Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor's interest in the Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code; or (b) Allowed pursuant to the Plan or separate order of the Bankruptcy Court as a secured claim.

166. "*Securities Act*" means the Securities Act of 1933, 15 U.S.C. §§ 77a–77aa, as amended, together with the rules and regulations promulgated thereunder.

167. "*Security*" or "*Securities*" has the meaning set forth in section 2(a)(1) of the Securities Act.

168. "*Transition Services Agreement*" means the transition services and separation agreement by and between the LINN Debtors or the Reorganized LINN Debtors (as applicable) and the Berry Debtors, as provided for in the Berry RSA, which shall be reasonably satisfactory in form and substance to the Required Consenting Berry Creditors.

169. "*Unexpired Lease"* means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

170. "*Unimpaired*" means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

171. "*U.S.*" means the United States of America.

172. "*U.S. Trustee"* means the Office of the U.S. Trustee Region 7 for the Southern District of Texas.

173. "*Unsecured Claim"* means any Claim that is not an Administrative Claim, Priority Tax Claim, Other Berry Priority Claim, Berry Lender Claim, or Other Berry Secured Claim.

B. Rules of Interpretation.

For the purposes of the Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, modified, or supplemented; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity's successors and assigns; (5) unless otherwise specified, all references herein to "Articles" are references to Articles hereof or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) unless otherwise specified, the words "herein," "hereof," and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (8) subject to the provisions of any contract, certificate of incorporation, or similar formation document or agreement, by-law, instrument, release, or other agreement or document entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with the applicable federal law, including the Bankruptcy Code and Bankruptcy Rules; (9) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (10) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (11) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (12) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court's CM/ECF system; (13) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (14) any immaterial effectuating provisions may be interpreted by the Reorganized Berry Debtors in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity; and (15) except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Berry Debtors or to the Reorganized Berry Debtors shall mean the Berry Debtors and the Reorganized Berry Debtors, as applicable, to the extent the context requires.

C. Computation of Time.

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day. Any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable after the Effective Date.

D. Governing Law.

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); *provided*, *however*, that corporate governance matters relating to the Berry Debtors or the Reorganized Berry Debtors, as applicable, shall be governed by the laws of the state of incorporation or formation of the relevant Berry Debtor or Reorganized Berry Debtor, as applicable.

E. Reference to Monetary Figures.

All references in the Plan to monetary figures shall refer to currency of the U.S., unless otherwise expressly provided.

F. Conflicts.

In the event of an inconsistency between the Plan and the Disclosure Statement, the terms of the Plan shall control in all respects. In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

ARTICLE II.
ADMINISTRATIVE CLAIMS AND PRIORITY TAX CLAIMS

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests.

A. Administrative Claims.

1. General Administrative Claims.

Except as specified in this Article II, unless the Holder of an Allowed General Administrative Claim and the Berry Debtors or the Reorganized Berry Debtors, as applicable, agree to less favorable treatment, each Holder of an Allowed General Administrative Claim will receive, in full satisfaction of its General Administrative Claim, Cash equal to the amount of such Allowed General Administrative Claim either: (a) on the Effective Date; (b) if the General Administrative Claim is not Allowed as of the Effective Date, 120 days after the date on which an order allowing such General Administrative Claim becomes a Final Order, or as soon thereafter as reasonably practicable; or (c) if the Allowed General Administrative Claim is based on a liability incurred by the Berry Debtors in the ordinary course of their business after the Petition Date, pursuant to the terms and conditions of the particular transaction or agreement giving rise to such Allowed General Administrative Claim, without any further action by the Holders of such Allowed General Administrative Claim, and without any further notice to or action, order, or approval of the Bankruptcy Court. Notwithstanding the foregoing, no request for payment of a General Administrative Claim need be Filed with respect to a General Administrative Claim previously Allowed by Final Order.

Except for Claims of Professionals, requests for payment of General Administrative Claims that were not accrued in the ordinary course of business must be Filed and served on the Berry Debtors or the Reorganized Berry Debtors, as applicable, no later than the Administrative Claims Bar Date applicable to the Debtor against whom the General Administrative Claim is asserted pursuant to the procedures specified in the Confirmation Order and the notice of the Effective Date. Holders of General Administrative Claims that are required to File and serve a request for payment of such General Administrative Claims by the Administrative Claims Bar Date that do not File and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such General Administrative Claims against the Berry Debtors, the Reorganized Berry Debtors, or their respective property and such General Administrative Claims shall be deemed forever discharged and released as of

the Effective Date. Any requests for payment of General Administrative Claims that are not properly Filed and served by the Administrative Claims Bar Date shall not appear on the Claims Register and shall be disallowed automatically without the need for further action by the Debtors or the Reorganized Berry Debtors or further order of the Bankruptcy Court. To the extent this Article II.A.1 conflicts with Article XII.C of the Plan with respect to fees and expenses payable under section 1930(a) of the Judicial Code, including fees and expenses payable to the U.S. Trustee, Article XII.C of the Plan shall govern.

The Reorganized Berry Debtors, in their sole and absolute discretion, may settle General Administrative Claims in the ordinary course of business without further Bankruptcy Court approval. The Berry Debtors may also choose to object to any Administrative Claim no later than 120 days from the Administrative Claims Bar Date, subject to extensions by the Bankruptcy Court, agreement in writing of the parties, or on motion of a party in interest approved by the Bankruptcy Court. Unless the Berry Debtors or the Reorganized Berry Debtors (or other party with standing) object to a timely filed and properly served Administrative Claim, such Administrative Claim will be deemed Allowed in the amount requested. In the event that the Berry Debtors or the Reorganized Berry Debtors object to an Administrative Claim, the parties may confer to try to reach a settlement and, failing that, the Bankruptcy Court will determine whether such Administrative Claim should be allowed and, if so, in what amount.

2. Professional Compensation.

(a) Final Fee Applications.

All final requests for payment of Professional Fee Claims, including the Professional Fee Claims incurred during the period from the Petition Date through the Effective Date, must be Filed and served on the Reorganized Berry Debtors no later than 60 days after the Effective Date. All such final requests will be subject to approval by the Bankruptcy Court after notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior orders of the Bankruptcy Court in the Chapter 11 Cases, including the Interim Compensation Order, and once approved by the Bankruptcy Court, promptly paid from the Professional Fee Escrow Account up to its full Allowed amount. If the Professional Fee Escrow Account is insufficient to fund the full Allowed amounts of Professional Fee Claims, remaining unpaid Allowed Professional Fee Claims will be allocated among and paid directly by the Reorganized Berry Debtors in the manner prescribed by Article II.A.2(d) of the Plan.

(b) Professional Fee Escrow Account.

On the Effective Date, the Reorganized Berry Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Reserve Amount, the funding of which shall be allocated among the Debtors in the manner prescribed by Article II.A.2(d) of the Plan. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals. Such funds shall not be considered property of the Estates of the Berry Debtors or the Reorganized Berry Debtors. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Reorganized Berry Debtors from the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed by a Final Order. When all such Allowed amounts owing to Professionals have been paid in full, any remaining amount in the Professional Fee Escrow Account shall promptly be paid to the Reorganized Berry Debtors in the manner prescribed by the allocation set forth in Article II.A.2(d) of the Plan, without any further action or order of the Bankruptcy Court. If the Professional Fee Escrow Account is insufficient to fund the full Allowed amounts of Professional Fee Claims, remaining unpaid Allowed Professional Fee Claims will be paid by the Berry Debtors or the Reorganized Berry Debtors, as applicable.

(c) Professional Fee Reserve Amount.

The Berry Debtors shall provide Professionals with not less than seven (7) Business Days advance written notice (which may be communicated by electronic mail) of the expected timing of the Effective Date (the "Effective Date Notice"). Thereafter, Professionals shall estimate their unpaid Professional Fee Claims and other unpaid fees and expenses incurred and expected to be incurred in rendering services to the Berry Debtors before and as of the Effective Date and shall deliver such estimate to the Berry Debtors no later than the later of (i) six (6) Business Days from delivery of the Effective Date Notice and (ii) one (1) Business Day before the Effective Date; *provided, however,* that such estimate shall not be deemed to limit the amount of the fees and expenses that are the subject of

the Professional's final request for payment of Filed Professional Fee Claims. If a Professional does not provide an estimate, the Berry Debtors or Reorganized Berry Debtors may estimate the unpaid and unbilled fees and expenses of such Professional. The total amount estimated pursuant to this section shall comprise the Professional Fee Reserve Amount. The Professional Fee Reserve Amount, as well as the return of any excess funds in the Professional Fee Escrow Account after all Allowed Professional Fee Claims have been paid in full, shall be allocated as among the Debtors in the manner prescribed by Article II.A.2(d) of the Plan.

(d) Allocation of Professional Fee Claims.

Allowed Professional Fee Claims shall be allocated to, and paid by, the applicable Berry Debtor for whose benefit such Professional Fees Claims were incurred in a manner consistent with the terms of the Cash Collateral Order and/or Cash Management Order. For the avoidance of doubt, the Berry Debtors shall not be responsible for payment of any legal, professional, or other fees and expenses incurred by the LINN Debtors in connection with the Chapter 11 Cases and after the Effective Date, and the LINN Debtors shall not be responsible for payment of any legal, professional, or other fees and expenses incurred by the Berry Debtors in connection with the Chapter 11 Cases and after the Effective Date.

(e) Post-Confirmation Date Fees and Expenses.

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Berry Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses incurred by the Berry Debtors. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Berry Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Adequate Protection Claims.

Adequate Protection Claims of the Berry Lenders will receive the treatment provided for in Article III.B.3 for Holders of Allowed Berry Lender Claims. For the avoidance of doubt, the treatment set forth in Article III.B.3 shall be in full and final satisfaction of any Adequate Protection Claims of the Berry Lenders.

B. Priority Tax Claims.

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code and, for the avoidance of doubt, Holders of Allowed Priority Tax Claims will receive interest on such Allowed Priority Tax Claims after the Effective Date in accordance with sections 511 and 1129(a)(9)(C) of the Bankruptcy Code.

C. Statutory Fees.

All fees due and payable pursuant to section 1930 of Title 28 of the United States Code before the Effective Date with respect to the Berry Debtors shall be paid by the Berry Debtors. On and after the Effective Date, the Reorganized Berry Debtors shall pay any and all such fees when due and payable, and shall File with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the U.S. Trustee. Each Berry Debtor shall remain obligated to pay quarterly fees to the U.S. Trustee until the earliest of that particular Debtor's case being closed, dismissed, or converted to a case under Chapter 7 of the Bankruptcy Code.

ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. Classification of Claims and Interests.

Claims and Interests, except for Administrative Claims and Priority Tax Claims, are classified in the Classes set forth in this Article III. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or Interest is also classified in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied before the Effective Date. The Berry Debtors reserve the right to assert that the treatment provided to Holders of Claims and Interests pursuant to Article III.B of the Plan renders such Holders Unimpaired.

1. Class Identification for the Berry Debtors.

The Plan constitutes a separate chapter 11 plan of reorganization for each Berry Debtor, which shall include the classifications set forth below. Subject to Article III.D of the Plan, to the extent that a Class contains Claims or Interests only with respect to one or more particular Berry Debtors, such Class applies solely to such Berry Debtor.

The following chart represents the classification of Claims and Interests for the Berry Debtors pursuant to the Plan.

Class	Claims and Interests	Status	Voting Rights
Class B1	Other Berry Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class B2	Other Berry Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class B3	Berry Lender Claims	Impaired	Entitled to Vote
Class B4	Berry Unsecured Notes Claims	Impaired	Entitled to Vote
Class B5	Berry General Unsecured Claims	Impaired	Entitled to Vote
Class B6	Berry Intercompany Claims	Impaired	Not Entitled to Vote (Presumed to Accept/ Deemed to Reject)
Class B7	Berry Section 510(b) Claims	Impaired	Note Entitled to Vote (Deemed to Reject)
Class B8	Interests in Berry Debtors	Impaired	Not Entitled to Vote (Deemed to Reject)

B. Treatment of Claims and Interests.

To the extent a Class contains Allowed Claims or Allowed Interests with respect to any Berry Debtor, the classification of Allowed Claims and Allowed Interests is specified below.

1. Class B1—Other Berry Secured Claims.

(a) *Classification*: Class B1 consists of Other Berry Secured Claims.

(b) *Treatment*: On the Effective Date, or as soon as reasonably practicable thereafter, except to the extent that a Holder of an Allowed Other Berry Secured Claims agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Other Berry Secured Claim, each such Holder shall receive, at the option of Berry and with the consent of the Required Consenting Berry Noteholders (which consent shall not be unreasonably withheld), either:

(i) payment in full in Cash;

(ii) delivery of collateral securing any such Claim and payment of any interest required under section 506(b) of the Bankruptcy Code;

(iii) Reinstatement of such Claim; or

(iv) other treatment rendering such Claim Unimpaired.

(c) *Voting:* Class B1 is Unimpaired under the Plan. Holders of Claims in Class B1 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

2. Class B2—Other Berry Priority Claims.

(a) *Classification:* Class B2 consists of Other Berry Priority Claims.

(b) *Treatment:* On the Effective Date, or as soon as reasonably practicable thereafter, except to the extent that a Holder of an Allowed Other Berry Priority Claim agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Other Berry Priority Claim, each such Holder shall receive, at the option of Berry, either:

(i) payment in full in Cash; or

(ii) other treatment rendering such Claim Unimpaired.

(c) *Voting:* Class B2 is Unimpaired under the Plan. Holders of Other Berry Priority Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

3. Class B3—Berry Lender Claims.

(a) *Classification:* Class B3 consists of Berry Lender Claims.

(b) *Allowance:* Notwithstanding any other provision of this Plan to the contrary, the Berry Lender Claims are Allowed as fully Secured Claims under section 506(b) of the Bankruptcy Code, having first lien priority in the amount of approximately $898 million on account of unpaid principal, plus unpaid interest, fees, expenses, and other obligations arising under or in connection with the Berry Lender Claims, as set forth in the Berry Credit Agreement or the other Loan Documents (as defined in the Berry Credit Agreement) in each case, not subject either in whole or in part to off-set, disallowance or avoidance under chapter 5 of the Bankruptcy Code or otherwise, recharacterization, recoupment, or subordination or any equitable theory (including, without limitation, subordination, disallowance, or unjust enrichment), or otherwise, and any other claims or Causes of Action that any Person including but not limited to the Berry Debtors and their estates may be entitled to assert against the Berry Lenders or the Berry Lender Claims.

(c) *Treatment*: Notwithstanding any other provision of this Plan to the contrary, on the Effective Date, except to the extent that a Holder of an Allowed Berry Lender Claim agrees to a less favorable treatment of its Allowed Claim in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Berry Lender Claim, each such Holder shall receive:

(i) if such Holder votes (or is deemed to have voted in accordance with the ballot for Holders of Berry Lender Claims) to accept the Plan and elects to participate in the Berry Exit Facility, or voted against the Plan and subsequently changes its vote to accept (with the approval of the Berry Debtors and the Required Consenting Berry Creditors (which approval shall not be unreasonably withheld)) and opts into the Berry Exit Facility (each, an "Electing Berry Lender"), a Pro Rata share (calculated with respect to the other Electing Berry Lenders only) of: (A) the Berry Exit Facility; and (B) the Berry Lender Paydown, which shall be distributed upon such Holder's execution and delivery of the Berry Exit Facility Documents; or

(ii) if such Holder votes to reject the Plan and does not subsequently opt into the Berry Exit Facility (each, a "Non-Electing Berry Lender"), a Reorganized Berry Non-Conforming Term Note in an aggregate amount equal to such Non-Electing Berry Lender's Allowed Berry Lender Claim, in lieu of any share of (A) the Berry Exit Facility and (B) the Berry Lender Paydown, upon the execution and delivery of the Reorganized Berry Non-Conforming Notes Documents, distributed no earlier than the Effective Date (and after or substantially concurrently with the execution and delivery of such definitive documentation).

For the avoidance of doubt, the amount of the Berry Exit Facility Initial Borrowing Base and the commitments of the Electing Berry Lenders shall be reduced in an amount equal to the aggregate amount of the Reorganized Berry Non-Conforming Term Notes issued to the Non-Electing Berry Lenders. For the further avoidance of doubt, none of the Non-Electing Berry Lenders shall receive any portion of the Berry Lender Paydown and shall receive only a Reorganized Berry Non-Conforming Note in a principal amount equal to its Allowed Berry Lender Claim and each Electing Berry Lender shall receive a Berry Lender Paydown payment in the amount of (a) its Allowed Berry Lender Claim less (b) the amount of such Electing Berry Lender's Allowed Lender Claim that is deemed to be a drawn loan pursuant to the Berry Exit Facility, plus (c) a pro rata share with respect to all Electing Berry Lenders of the amount of the Berry Lender Paydown that would otherwise be payable to a Non-Electing Berry Lender had such Non-Electing Berry Lender been an Electing Berry Lender; *provided*, that any amount paid to such Electing Berry Lender pursuant to clause (c) shall reduce the amount deemed to be drawn debt pursuant to clause (b).

(d) *Voting*: Class B3 is Impaired under the Plan. Holders of Claims in Class B3 are entitled to vote to accept or reject the Plan.

4. Class B4—Berry Unsecured Notes Claims.

(a) *Classification*: Class B4 consists of Berry Unsecured Notes Claims.

(b) *Allowance*: The Berry Unsecured Notes Claims are Allowed in the amount of $849,037,688 in unpaid principal and interest, plus fees, and other expenses, arising under or in connection with the Berry Unsecured Notes through the Petition Date.

(c) *Treatment*: On the Effective Date, or as soon as reasonably practicable thereafter, except to the extent that a Holder of an Allowed Berry Unsecured Notes Claim agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of the Berry Debtors and their Estates and in exchange for each Berry Unsecured Notes Claim, each such Holder shall receive:

(i) its Pro Rata share of the Reorganized Berry Common Stock/Noteholder Distribution; and

(ii) to the extent that the aggregate amount of Allowed Berry General Unsecured Claims is less than $183,000,000, its Pro Rata share of the Reorganized Berry Common Stock/General Distribution, such that the aggregate amount of Reorganized Berry Common Stock received by each Holder of an Allowed Berry Unsecured Notes Claim per dollar amount of such Allowed Claim shall equal the aggregate amount of Reorganized Berry Common Stock received by a Holder of an Allowed Berry General Unsecured Claim that does not elect to receive its share of the Berry GUC Cash Distribution Pool, per dollar amount of such Allowed Claim.

Notwithstanding the foregoing, each Holder of an Allowed Berry Unsecured Notes Claim that is a Non-Accredited Investor may irrevocably elect on the distribution election form provided thereto to receive its Pro Rata share of the Berry GUC Cash Distribution Pool instead of any distribution of the Reorganized Berry Common Stock; *provided, however,* that if such Non-Accredited Investor Holder (who shall certify such status and include reasonably acceptable proof of such status, which may be contested by the Berry Debtors, the Reorganized Berry Debtors, or the Committee) irrevocably elects on the distribution election form provided thereto to receive its Pro Rata share in Cash of the Berry GUC Cash Distribution Pool on account of its Allowed Berry Unsecured Notes Claim, such electing Holder shall not receive any shares of Reorganized Berry Common Stock on account of its Allowed Berry Unsecured Notes Claim; *provided, further, however,* that in no event shall such electing Holder receive a recovery in Cash in excess of $0.35 for each $1.00 of its Allowed Berry Unsecured Notes Claim. To the extent that a Holder of a Berry Unsecured Notes Claim irrevocably elects to receive its Pro Rata Share of the Berry GUC Cash Distribution Pool, any Reorganized Berry Common Stock that such Holder would have received shall be retained by Reorganized Berry as treasury stock.

(d) *Voting:* Class B4 is Impaired under the Plan. Holders of Claims in Class B4 are entitled to vote to accept or reject the Plan.

5. Class B5—Berry General Unsecured Claims.

(a) *Classification:* Class B5 consists of Berry General Unsecured Claims.

(b) *Treatment:* On the later of (i) the Effective Date, (ii) ten (10) Business Days after the Distribution Record Date, or (iii) as soon as reasonably practicable thereafter, except to the extent that a Holder of an Allowed Berry General Unsecured Claim agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of vis-à-vis the Debtors and their Estates and in exchange for each Berry General Unsecured Claim, each such Holder shall receive, up to the Allowed amount of its Berry General Unsecured Claim, its Pro Rata share of the Reorganized Berry Common Stock/General Distribution.

Notwithstanding the foregoing, each Holder of an Allowed Berry General Unsecured Claim may irrevocably elect on its ballot to receive its Pro Rata share of the Berry GUC Cash Distribution Pool instead of any distribution of the Reorganized Berry Common Stock; *provided, however,* that if such Holder irrevocably elects on its ballot to receive its Pro Rata share in Cash of the Berry GUC Cash Distribution Pool on account of its Allowed Berry General Unsecured Claim, such electing Holder shall not

receive any shares of Reorganized Berry Common Stock on account of its Allowed Berry General Unsecured Claim); *provided, further, however,* that in no event shall such electing Holder receive a recovery in Cash in excess of $0.35 for each $1.00 of its Allowed Berry General Unsecured Claim. To the extent that a Holder of a Berry General Unsecured Claim irrevocably elects to receive its Pro Rata Share of the Berry GUC Cash Distribution Pool, any Reorganized Berry Common Stock that such Holder would have received shall be retained by Reorganized Berry as treasury stock.

(c) *Voting:* Class B5 is Impaired under the Plan. Holders of Claims in Class B5 are entitled to vote to accept or reject the Plan.

6. Class B6—Berry Intercompany Claims.

(a) *Classification:* Class B6 consists of Berry Intercompany Claims.

(b) *Treatment:* Each Allowed Berry Intercompany Claim shall be canceled and released without any distribution on account of such Claims; *provided, however,* that any Berry Intercompany Claim relating to any postpetition payments from any LINN Debtor to Berry under any postpetition Intercompany Transaction (as defined in the Cash Management Order, and including any postpetition payments from LINN to Berry) shall be, unless the applicable Debtor agrees otherwise or as otherwise provided in the Berry-LINN Intercompany Settlement, paid in full in Cash as a General Administrative Claim pursuant to Article II.A herein. For the avoidance of doubt, the Berry LINN Intercompany Settlement releases any Claims of the LINN Debtors against the Berry Debtors and pursuant to such settlement, there shall be no Allowed Berry Intercompany Claims, except for the true-up of postpetition Intercompany Transactions described in the preceding sentence, and thus there will be no other Allowed Claims in this Class. Any such true-up Claim shall be reasonably acceptable to the Berry Debtors and the Required Consenting Berry Creditors.

(c) *Voting:* To the extent Allowed, Class B6 is treated as a General Administrative Claim, and such Holders of Berry Intercompany Claims are conclusively presumed to have accepted the Plan under section 1126(f) of the Bankruptcy Code, or Impaired, and such Holders of Allowed Class B6 Claims are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Holders of Allowed Berry Intercompany Claims are not entitled to vote to accept or reject the Plan.

7. Class B7—Berry Section 510(b) Claims.

(a) *Classification:* Class B7 consists of Berry Section 510(b) Claims.

(b) *Treatment:* Each Berry Section 510(b) Claim shall be deemed canceled, discharged, released, and extinguished, and there shall be no distribution to Holders of Berry Section 510(b) Claims on account of such Claims.

(c) *Voting:* Class B7 is Impaired under the Plan. Holders of Allowed Berry Section 510(b) Claims are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

8. Class B8—Interests in the Berry Debtors.

(a) *Classification:* Class B8 consists of any Interests in the Berry Debtors.

(b) *Treatment:* On the Effective Date, existing Interests in the Berry Debtors shall be deemed canceled, discharged, released, and extinguished, and there shall be no distribution to Holders of Interests in the Berry Debtors on account of such Interests.

(c) *Voting:* Class B8 is Impaired under the Plan. Holders of Claims in Class B8 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

C. Special Provision Governing Unimpaired Claims.

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Berry Debtors' rights in respect of any Unimpaired Claims, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

D. Elimination of Vacant Classes.

Any Class of Claims or Interests that, as of the commencement of the Confirmation Hearing, does not have at least one Holder of a Claim or Interest that is Allowed in an amount greater than zero for voting purposes pursuant to the Disclosure Statement Order shall be considered vacant, deemed eliminated from the Plan for purposes of voting to accept or reject the Plan, and disregarded for purposes of determining whether the Plan satisfies section 1129(a)(8) of the Bankruptcy Code with respect to that Class.

E. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code.

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by one or more of the Classes entitled to vote pursuant to Article III.B of the Plan. The Berry Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Berry Debtors reserve the right to modify the Plan in accordance with Article X hereof to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims to render such Class of Claims Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules or to withdraw the Plan as to such Berry Debtor.

F. Voting Classes; Presumed Acceptance by Non-Voting Classes

If a Class contains Holders of Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Plan shall be presumed accepted by the Holders of such Claims or Interests in such Class.

G. Presumed Acceptance and Rejection of the Plan

To the extent that Claims of any class are canceled, each Holder of a Claim in such class is deemed to have rejected the Plan pursuant to section 1126 (g) of the Bankruptcy Code and is not entitled to vote to accept or reject the Plan. To the extent that Claims or Interests of any Class are Reinstated, each Holder of a Claim or Interest in such Class is presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and is not entitled to vote to accept or reject the Plan.

H. Intercompany Interests

To the extent Reinstated under the Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests, but rather for the purposes of administrative convenience, for the ultimate benefit of the Holders of Reorganized Berry Common Stock, the Reorganized Berry EIP Equity, and the Reorganized Berry Preferred Stock, and in exchange for the Berry Debtors' and Reorganized Berry Debtors' agreement under the Plan to make certain distributions to the Holders of Allowed Claims. For the avoidance of doubt, any Interest in Non-Debtor Subsidiaries owned by a Berry Debtor shall continue to be owned by the applicable Reorganized Berry Debtor.

I. Controversy Concerning Impairment.

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

J. Subordinated Claims and Interests.

The allowance, classification, and treatment of all Allowed Claims and Allowed Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Berry Debtors or Reorganized Berry Debtors reserve the right to re-classify any Allowed Claim in accordance with any contractual, legal, or equitable subordination relating thereto. Notwithstanding anything in this Plan to the contrary, the Berry Lender Claims shall not be subordinated in any manner or for any reason.

ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN

A. General Settlement of Claims and Interests.

The Plan shall be deemed a motion to approve the good-faith compromise and settlement pursuant to which the Berry Debtors, the Holders of Claims against and/or Interests in the Berry Debtors, and the Consenting Berry Creditors settle all Claims, Interests, and Causes of Action pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, including the Berry-LINN Intercompany Settlement, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the Plan. The Confirmation Order shall constitute the Court's approval of the compromise, settlement, and release of all such Claims, Interests, and Causes of Action, as well as a finding by the Bankruptcy Court that all such compromises, settlements, and releases are in the best interests of the Berry Debtors, their Estates, and the Holders of Claims, Interests, and Causes of Action, and is fair, equitable, and reasonable. In accordance with the provisions of the Plan, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Berry Debtors may compromise and settle all Claims and Causes of Action against, and Interests in, the Berry Debtors and their Estates. The compromises, settlements, and releases described herein shall be deemed nonseverable from each other and from all other terms of the Plan. Subject to Article VI of the Plan, all distributions made to Holders of Allowed Claims and Allowed Interests in any Class are intended to be and shall be final.

B. Berry Restructuring Transactions.

On the Effective Date, the Berry Debtors or the Reorganized Berry Debtors will effectuate the Berry Restructuring Transactions, and will take any actions as may be necessary or advisable to effect a corporate restructuring of their respective businesses or a corporate restructuring of the overall corporate structure of the Berry Debtors, to the extent provided therein. The actions to implement the Berry Restructuring Transactions may include: (a) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law and any other terms to which the applicable Entities may agree, including the formation of the entity or entities that will comprise the Reorganized Berry Debtors; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or

obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (c) the filing of appropriate certificates or articles of incorporation, formation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, dissolution, or other organizational documents pursuant to applicable state law; (d) the execution and delivery of the New Organizational Documents; (e) the execution and delivery of the Berry Exit Facility Documents (including all actions to be taken, undertakings to be made, obligations to be incurred and fees, expenses, and the Berry Lender Paydown to be paid by the Berry Debtors and Reorganized Berry Debtors, as applicable) and the Reorganized Berry Non-Conforming Term Notes Documents (including all actions to be taken, undertakings to be made, obligations to be incurred and fees and expenses to be paid by the Berry Debtors and the Reorganized Berry Debtors, as applicable), subject to any post-closing execution and delivery periods provided for in the Berry Exit Facility Documents and the Reorganized Berry Non-Conforming Term Notes Documents; (f) the execution and delivery of the Transition Services Agreement (including all actions to be taken, undertakings to be made, and obligations to be incurred and fees to be paid by the Berry Debtors or the Reorganized Berry Debtors, as applicable, in connection therewith); (g) the execution and delivery of the Form Joint Operating Agreement (including all actions to be taken, undertakings to be made, and obligations and fees to be paid by the Berry Debtors and the Reorganized Berry Debtors, as applicable); (h) the execution and delivery of the Reorganized Berry Registration Rights Agreement; (i) the issuance of the Reorganized Berry Common Stock to Holders of Allowed Unsecured Claims as set forth in the Plan; (j) pursuant to the Berry Rights Offerings Procedures and the Berry Backstop Agreement, the implementation of the Berry Rights Offerings, the distribution of the Berry Rights to the Berry Rights Offerings Participants as of the Berry Rights Offerings Record Date, and the issuance of the Reorganized Berry Preferred Stock in connection therewith; (k) execution and delivery of the Reorganized Berry Employee Incentive Plan Agreements and issuance of the Reorganized Berry EIP Equity in accordance with the terms of the Reorganized Berry Employee Incentive Plan Agreements; (l) the establishment and funding of the Berry GUC Cash Distribution Pool; and (m) after cancellation of the Interests in LAC and Berry, all other actions that the applicable Entities determine to be necessary or advisable, including making filings or recordings that may be required by law in connection with the Plan.

The Confirmation Order shall and shall be deemed to, pursuant to sections 1123 and 363 of the Bankruptcy Code and Bankruptcy Rule 9019, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including the Berry Restructuring Transactions.

On or before the business day before the Effective Date, a third party designated by mutual agreement of the Berry Debtors and the Required Consenting Berry Creditors shall form Reorganized Berry. Through the Effective Date, the Berry Debtors shall cooperate in good faith with the Berry Backstop Parties to prepare a prospectus to be included in a registration statement on Form S-1 to be filed by Reorganized Berry HoldCo as soon as practicable.

C. Sources of Consideration for Plan Distributions.

The Berry Debtors shall fund distributions under the Plan with respect to the Berry Debtors, as applicable, with one or more of the following, subject to appropriate definitive agreements and documentation: (1) the Berry Exit Facility; (2) the Reorganized Berry Non-Conforming Term Notes (if any); (3) encumbered and unencumbered Cash on hand, including Cash from operations of the Berry Debtors; (4) Cash proceeds of the sale of the Reorganized Berry Preferred Stock pursuant to the Berry Rights Offerings; and (5) the Reorganized Berry Common Stock. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth herein applicable to such distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. The issuance, distribution, or authorization, as applicable, of certain securities in connection with the Plan, including the Reorganized Berry Common Stock, the Berry Rights, and the Reorganized Berry Preferred Stock will be exempt from SEC registration to the fullest extent permitted by law, as described more fully in Article VI.D below.

1. Berry Exit Facility.

On the Effective Date, the Reorganized Berry Debtors shall enter into the Berry Exit Facility, with Reorganized Berry OpCo as a borrower and Reorganized Berry HoldCo as a guarantor. Reorganized Berry HoldCo shall be a holding company directly holding all of the equity interests of Reorganized Berry OpCo and directly or indirectly holding the equity interests of any subsidiary of Berry OpCo. Each Electing Berry Lender shall receive its Pro Rata share (calculated with respect to the other Electing Berry Lenders only) of (i) the Berry Exit Facility, and (ii) the Berry Lender Paydown plus (iii) a Pro Rata share with respect to all Electing Berry Lenders of the amount of the Berry Lender Paydown that would otherwise be payable to a Non-Electing Berry Lender had such Non-Electing Berry Lender been an Electing Berry Lender, in each case, pursuant to Article III.B.3 (and, any amount paid to such Electing Berry Lender pursuant to clause (iii) shall reduce the amount deemed to be such Berry Electing Lender's Pro Rata portion of drawn debt pursuant to clause (i)). The Berry Exit Facility shall be on terms set forth in the Berry Exit Facility Documents and substantially consistent with the terms set forth in the Berry Exit Facility Term Sheet; *provided*, that the Berry Exit Facility lender commitments shall be reduced dollar for dollar in the amount of the Reorganized Berry Non-Conforming Term Notes that are issued to Non-Electing Berry Lenders, such that the sum of the Berry Exit Facility lender commitments plus the original principal amount of the Reorganized Berry Non-Conforming Term Notes shall be equal to $550 million. In addition, the Berry Exit Facility Documents shall provide the administrative agent under the Berry Exit Facility the ability to assign lender commitments under the Berry Exit Facility to any hedging counterparty to the Debtors that is not also a Berry Lender.

Confirmation shall be deemed approval of the Berry Exit Facility (including the transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by the Berry Debtors or the Reorganized Berry Debtors in connection therewith), to the extent not previously approved by the Bankruptcy Court, and the Reorganized Berry Debtors shall be authorized to execute and deliver those documents necessary or appropriate to obtain the Berry Exit Facility, including any and all documents required to enter into the Berry Exit Facility and all collateral documents related thereto, without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or vote, consent, authorization, or approval of any Person, subject to such modifications as the Reorganized Berry Debtors may deem to be necessary to consummate entry into the Berry Exit Facility and that are in form and substance reasonably acceptable to the Reorganized Berry Debtors and the Required Consenting Berry Creditors.

On the Effective Date, the Berry Exit Facility Documents shall constitute legal, valid, binding, and authorized obligations of the Reorganized Berry Debtors, enforceable in accordance with their terms. The financial accommodations to be extended pursuant to the Berry Exit Facility Documents are being extended, and shall be deemed to have been extended, in good faith, for legitimate business purposes, are reasonable, shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever, and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any other applicable non-bankruptcy law. On the Effective Date, all of the Liens and security interests to be granted in accordance with the Berry Exit Facility Documents (a) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Berry Exit Facility Documents, (b) shall be deemed automatically attached and perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Berry Exit Facility Documents, and (c) shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Berry Debtors and the lenders and agents under the Berry Exit Facility granted such Liens and security interests are authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish, attach, and perfect such Liens and security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign) that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order, and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary or desirable by the administrative agent under the Berry Exit Facility under applicable law to give notice of such Liens and security interests to third parties. In the event that any hedging counterparty to the Debtors is not party to the Berry Exit Facility or does not otherwise receive any assignments of loan commitments on account of such Berry Exit Facility, such hedging counterparty shall receive Liens and security interests that are pari passu with those Liens and security interests received by hedging counterparties that are also lenders under the Berry Exit Facility. The Berry Administrative Agent and the administrative agent under the Berry Exit Facility shall use its reasonable good-faith efforts to work with such hedging counterparties to the Debtors that are not also lenders to the Berry Exit Facility, as applicable, to assign loan commitments under the Berry Exit Facility to any such hedging counterparty to the Debtors that is not also a Berry Lender.

2. Reorganized Berry Non-Conforming Term Notes.

On the Effective Date, the Reorganized Berry Debtors shall issue the Reorganized Berry Non-Conforming Term Notes to any Non-Electing Berry Lenders on the terms set forth in the Reorganized Berry Non-Conforming Term Notes Documents.

On the Effective Date, the Reorganized Berry Non-Conforming Term Notes shall constitute legal, valid, binding, and authorized obligations of the Reorganized Berry Debtors, enforceable in accordance with their terms. The financial accommodations to be extended pursuant to the Reorganized Berry Non-Conforming Term Notes are being extended, and shall be deemed to have been extended, in good faith, for legitimate business purposes, are reasonable, shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever, and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any other applicable non-bankruptcy law. On the Effective Date, all of the Liens and security interests to be granted in accordance with the Reorganized Berry Non-Conforming Term Notes (a) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Reorganized Berry Non-Conforming Term Notes Documents, (b) shall be deemed automatically attached and perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Reorganized Berry Non-Conforming Term Notes, and (c) shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Berry Debtors and the Entities granted such Liens and security interests are authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish, attach, and perfect such Liens and security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign) that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order, and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary or desirable by the administrative agent under the Reorganized Berry Non-Conforming Term Notes Documents under applicable law to give notice of such Liens and security interests to third parties.

3. Berry Rights Offerings; Reorganized Berry Preferred Stock; Use of Proceeds.

The Berry Debtors shall distribute the Berry Rights to the Berry Rights Offerings Participants on behalf of Reorganized Berry as set forth in the Plan and the Berry Rights Offerings Procedures. Pursuant to the Berry Backstop Agreement and the Berry Rights Offerings Procedures, the Berry Rights Offerings shall be open to the applicable Berry Rights Offerings Participants, and (a) the Berry Initial Backstop Parties shall be obligated to participate in the Berry First Tranche Rights Offering up to a maximum amount of each Holder's Pro Rata share of the Berry First Tranche Rights Offering Amount, and (b) the Berry Rights Offerings Participants that are Holders of Allowed Berry Unsecured Notes Claims shall be entitled to participate in the Berry Second Tranche Rights Offering up to a maximum amount of each Holder's Pro Rata share of the Berry Second Tranche Rights Offering Amount. Within the applicable Berry Rights Offering, the applicable Berry Rights Offerings Participants shall have the right (or in the case of the Berry Initial Backstop Parties with respect to the Berry First Tranche Rights Offering, the obligation) to purchase their allocated shares of the Reorganized Berry Preferred Stock at the purchase price set forth in the Berry Backstop Agreement and the Berry Rights Offerings Procedures.

Upon exercise of the Berry Rights by the Berry Rights Offerings Participants pursuant to the terms of the Berry Backstop Agreement and the Berry Rights Offerings Procedures, Reorganized Berry HoldCo shall be authorized to issue the Reorganized Berry Preferred Stock.

Each Berry Initial Backstop Party shall exercise all Berry First Tranche Rights issued to such party, and the Berry Backstop Parties shall provide an aggregate backstop commitment equal to the total of the Berry Second Tranche Rights Offering Amount. Pursuant to the Berry Backstop Agreement, (a) in the event that one of the Berry

Initial Backstop Party fails to exercise its allocated Berry First Tranche Rights, the non-defaulting Berry Initial Backstop Party shall make arrangements to purchase all of the available Reorganized Berry Preferred Stock allocated for purchase in the Berry First Tranche Rights Offering at the purchase price per share set forth in the Berry Backstop Agreement, and (b) the Berry Backstop Parties shall purchase any Reorganized Berry Preferred Stock not subscribed to for purchase by the Holders of Allowed Berry Unsecured Notes Claims who are not Berry Backstop Parties as part of the Berry Second Tranche Rights Offering, up to the Berry Second Tranche Rights Offering Amount, at the purchase price per share set forth in the Berry Backstop Agreement, and in each case, together with any additional shares, at the purchase price set forth in the Berry Backstop Agreement.

The Berry Backstop Parties' obligation to backstop the Berry Rights Offerings shall be contingent on the entry of the Berry Backstop Agreement Order, which shall, among other things, approve the payment of the Berry Backstop Commitment Premium and related expense reimbursements set forth in the Berry Backstop Agreement to the Berry Backstop Parties. Entry of the Confirmation Order shall constitute Bankruptcy Court approval of the Berry Rights Offerings (including the transactions contemplated thereby, and all actions to be undertaken, undertakings to be made, and obligations to be incurred by the Reorganized Berry Debtors in connection therewith). On the Effective Date, the rights and obligations of the Berry Debtors under the Berry Backstop Agreement shall vest in the Reorganized Berry Debtors, as applicable.

As set forth in the Berry Backstop Agreement and the Berry Backstop Order, if the Berry Debtors and the Berry Backstop Parties mutually agree after the date of entry of the Berry Backstop Agreement that additional Cash is required to fund the Berry Restructuring Transactions, or if the Bankruptcy Court determines that the Plan is not feasible without such additional funds, the Berry Rights Offerings Amount shall be increased from $300 million to $335 million through the increase of the Berry Second Tranche Rights Offering by an amount equal to $35 million.

The Cash Proceeds raised by Reorganized Berry in connection with the Berry Rights Offerings will be transferred to Berry by the Reorganized Berry Debtors on the Effective Date in exchange for a portion of the Berry Debtors' assets that are transferred to Reorganized Berry OpCo in a taxable disposition.

4. Reorganized Berry Common Stock.

Reorganized Berry HoldCo shall be authorized to issue the Reorganized Berry Common Stock to certain Holders of Claims pursuant to Article III.B and for the Reorganized Berry EIP Equity. Such Reorganized Berry Common Stock shall be issued to Berry in exchange for a portion of the Berry Debtors' assets in a taxable disposition and subsequently distributed by Berry to creditors. Reorganized Berry shall issue all securities, instruments, certificates, and other documents required to be issued by it with respect to all such shares of Reorganized Berry Common Stock. All of the shares of Reorganized Berry Common Stock issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable.

D. Berry-LINN Intercompany Settlement.

The LINN Intercompany Settled Claims and the Berry Intercompany Settled Claims shall be resolved pursuant to the terms of the Berry-LINN Intercompany Settlement Term Sheet.

E. Corporate Existence.

Except as otherwise provided in the Plan, each Berry Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Berry Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and by-laws (or other formation documents) in effect before the Effective Date, except to the extent such certificate of incorporation and by-laws (or other formation documents) are amended under the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state or federal law).

On the Effective Date, and pursuant to any mergers, amalgamations, consolidations, arrangements, agreements, continuances, restructurings, transfers, conversions, dispositions, liquidations, dissolutions, or other corporate transactions that the Berry Debtors reasonably determine are necessary to consummate the Plan, all assets of Berry will be conveyed to Reorganized Berry (or a subsidiary thereof) in a taxable disposition and will be directly or indirectly held by Reorganized Berry or another entity affiliated with Reorganized Berry; *provided*, *however*, that the allocation of assets shall be structured such that neither Reorganized Berry nor any of the Berry Debtors shall be an "investment company" under the Investment Company Act and this conclusion is based on one or more bases or exclusions other than Sections 3(c)(1) and 3(c)(7) of the Investment Company Act, including that neither the Berry Debtors nor any of its subsidiaries comes within the basic definition of "investment company" under section 3(a)(1) of the Investment Company Act. For the avoidance of doubt, the Berry Debtors shall be wound down and liquidated as part of the Berry Restructuring Transactions, and Reorganized Berry is not intended to be a successor to the Berry Debtors for U.S. federal income tax purposes.

Upon the Effective Date, Reorganized Berry shall become the representative of the Berry Debtors and their Estates and shall be authorized to take any and all actions authorized by or consistent with the terms of this Plan on behalf of the Reorganized Berry Debtors, including providing for the wind-down and corporate dissolution of the Berry Debtors.

F. Vesting of Assets in the Reorganized Berry Debtors.

Except as otherwise provided in the Plan, on the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Berry Debtors pursuant to the Plan shall vest in each applicable Reorganized Berry Debtor, free and clear of all Liens, Claims, charges, Interests, or other encumbrances. Except as otherwise provided in the Plan, on and after the Effective Date, each of the Reorganized Berry Debtors may operate their business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. For the avoidance of doubt, on the Effective Date, all rights and obligations of the Berry Debtors with respect to the Berry Backstop Agreement shall vest in Reorganized Berry HoldCo, and Reorganized Berry HoldCo will be deemed to assume all such obligations.

G. Cancellation of Existing Securities and Agreements.

Except as otherwise provided in the Plan, on and after the Effective Date, all notes, instruments, certificates, agreements, indentures, mortgages, security documents, and other documents evidencing Claims or Interests, including Other Berry Secured Claim, Interests in Berry and LAC, Berry Lender Claims, and Berry Unsecured Notes Claims, shall be deemed canceled, surrendered, and discharged without any need for further action or approval of the Bankruptcy Court or any Holder or other person and the obligations of the Debtors or Reorganized Berry Debtors, as applicable, thereunder or in any way related thereto shall be deemed satisfied in full and discharged, and the Berry Unsecured Notes Trustees and the Berry Administrative Agent shall be released from all duties thereunder; *provided*, *however*, that notwithstanding Confirmation or Consummation, any such indenture or agreement that governs the rights of the Holder of a Claim shall continue in effect solely for purposes of: (1) allowing Holders to receive distributions under the Plan; (2) allowing the Berry Unsecured Notes Trustee and the Berry Administrative Agent to enforce their rights, claims, and interests vis-à-vis any parties other than the Berry Debtors; (3) allowing the Berry Unsecured Notes Trustee and the Berry Administrative Agent to make the distributions in accordance with the Plan (if any), as applicable; (4) preserving any rights of the Berry Administrative Agent or the Berry Unsecured Notes Trustee to payment of fees, expenses, and indemnification obligations as against any money or property distributable to the Holders under the Berry Unsecured Notes Indenture or the Berry Credit Agreement, including any rights to priority of payment and/or to exercise charging liens; (5) allowing the Berry Unsecured Notes Trustee and the Berry Administrative Agent to enforce any obligations owed to each of them under the Plan; (6) allowing the Berry Unsecured Notes Trustee and Berry Administrative Agent to exercise rights and obligations relating to the interests of the Holders under the relevant indentures and credit agreements; (7) allowing the Berry Unsecured Notes Trustee and the Berry Administrative Agent to appear in the Chapter 11 Cases or in any proceeding in the Bankruptcy Court or any other court to the Holders of Allowed Unsecured Claims as set forth in Article III.B of the Plan; and (8) permitting the Berry Unsecured Notes Trustee and the Berry Administrative Agent to perform any functions that are necessary to effectuate the foregoing; *provided*, *further*, *however*, that except as provided below, the preceding proviso shall not

affect the discharge of Claims or Interests pursuant to the Bankruptcy Code, the Confirmation Order, or the Plan, as applicable, or result in any expense or liability to the Berry Debtors or Reorganized Berry Debtors, as applicable. Except for the foregoing, the Berry Unsecured Notes Trustee and its respective agents shall be relieved of all further duties and responsibilities related to the Berry Unsecured Notes Indenture and the Plan, except with respect to such other rights of the Berry Unsecured Notes Trustee that, pursuant to the Berry Unsecured Notes Indenture, survive the termination of such indentures. Subsequent to the performance by the Berry Unsecured Notes Trustee of its obligations pursuant to the Plan, the Berry Unsecured Notes Trustee and its agents shall be relieved of all further duties and responsibilities related to the applicable indenture.

H. Corporate Action.

On the Effective Date, all actions contemplated under the Plan with respect to the applicable Berry Debtor or Reorganized Berry Debtor, as applicable, shall be deemed authorized and approved in all respects, including: (1) implementation of the Berry Restructuring Transactions; (2) formation by the Berry Debtors or such other party as contemplated in the Plan, Plan Supplement document, or Confirmation Order, of Reorganized Berry (including Reorganized Berry HoldCo and Reorganized Berry OpCo) and the wind-down of the Berry Debtors; (3) selection of, and the election or appointment (as applicable) of, the directors and officers for Reorganized Berry; (4) as applicable, adoption of, entry into, and assumption and/or assignment of the Reorganized Berry Employment Agreements; (5) adoption of the Reorganized Berry Employee Incentive Plans, and the issuance and distribution of the Reorganized Berry Common Stock in connection therewith; (6) approval and adoption of (and, as applicable, the execution, delivery, and filing of) the New Organizational Documents; (7) the execution and delivery of the Berry Exit Facility Documents and the Reorganized Berry Non-Conforming Term Notes Documents; (8) the issuance and delivery of the Reorganized Berry Common Stock; (9) the issuance and distribution of Reorganized Berry Rights and the subsequent issuance and distribution of the Reorganized Berry Preferred Stock issuable upon the exercise of such; (10) the execution and delivery of the Reorganized Berry Registration Rights Agreement; (11) the establishment and funding of the Berry GUC Cash Distribution Pool; and (12) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for herein involving the corporate structure of the Berry Debtors or the Reorganized Berry Debtors, as applicable, and any corporate action, authorization, or approval that would otherwise be required by the Berry Debtors or the Reorganized Berry Debtors in connection with the Plan shall be deemed to have occurred or to have been obtained and shall be in effect as of the Effective Date, without any requirement of further action, authorization, or approval by the Bankruptcy Court, security holders, directors, managers, or officers of the Berry Debtors or the Reorganized Berry Debtors or any other person.

On or before the Effective Date, the appropriate officers of the Berry Debtors and the Reorganized Berry Debtors shall be authorized and, as applicable, directed to issue, execute, and deliver the agreements, documents, securities, and instruments, and take such actions, contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Reorganized Berry Debtors, as applicable, including the Berry Exit Facility Documents, the Reorganized Berry Non-Conforming Term Notes Documents, the New Organizational Documents, the Reorganized Berry Registration Rights Agreement, the Reorganized Berry Employee Incentive Plan Agreements, the Reorganized Berry EIP Equity, the Reorganized Berry Common Stock, Reorganized Berry Preferred Stock, the Berry Rights Offerings, the Berry GUC Cash Distribution, and any and all other agreements, documents, securities, and instruments relating to the foregoing, and all such documents shall be deemed ratified. The authorizations and approvals contemplated by this Article IV.H shall be effective notwithstanding any requirements under non-bankruptcy law.

On the Effective Date, and subject to the Confirmation Order and the Berry Backstop Order, Reorganized Berry shall issue (a) 40,000,000 shares of Reorganized Berry Common Stock and (b) 32,100,000 shares of Reorganized Berry Preferred Stock (or, if there is a Berry Rights Offerings Increase, 35,845,000 shares of Reorganized Berry Preferred Stock) pursuant to the terms of the Plan, the Berry Backstop Agreement, and the New Organizational Documents.

I. New Organizational Documents.

The New Organizational Documents shall be in form and substance reasonably acceptable to the Required Consenting Berry Noteholders and the Berry Debtors. On the Effective Date, each of the Reorganized Berry

Debtors will file its New Organizational Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state of incorporation or formation in accordance with the applicable laws of the respective state of incorporation or formation, to the extent required for such New Organizational Documents to become effective. Pursuant to section 1123(a)(6) of the Bankruptcy Code, the New Organizational Documents will prohibit the issuance of non-voting equity securities. After the Effective Date, the Reorganized Berry Debtors may amend and restate their respective New Organizational Documents and other constituent documents as permitted by the laws of their respective state of incorporation and its respective New Organizational Documents and other constituent documents of the Reorganized Berry Debtors.

J. Directors and Officers of the Reorganized Debtors.

As of the Effective Date, the Reorganized Berry Board for Reorganized Berry HoldCo shall be constituted to meet applicable NYSE independence requirements and shall consist of to-be-determined number of directors or managers.

As of the Effective Date, the terms of the current members of the boards of directors or managers, as applicable, of each of the Berry Debtors shall expire, and the initial Reorganized Berry Board, and the boards of directors or managers of each of the other Reorganized Berry Debtors and Reorganized Berry, as applicable, will include those directors and officers set forth in the lists of directors and officers of the Reorganized Berry Debtors included in the Plan Supplement.

After the Effective Date, the officers of each of the Reorganized Berry Debtors shall be appointed in accordance with the respective New Organizational Documents. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Berry Debtors will disclose in the Plan Supplement the identity and affiliations of each person proposed to be an officer or to serve on the initial board of directors of any of the Reorganized Berry Debtors. To the extent any such director or officer of the Reorganized Berry Debtors is an "insider" under the Bankruptcy Code, the Berry Debtors also will disclose the nature of any compensation to be paid to such director or officer. Each such director and officer shall serve from and after the Effective Date pursuant to the terms of the New Organizational Documents.

K. Section 1146 Exemption.

Pursuant to, and to the fullest extent permitted by, section 1146 of the Bankruptcy Code, any transfers of property pursuant to, in contemplation of, or in connection with, the Plan, including (1) the Berry Restructuring Transactions; (2) the Berry Exit Facility; (3) the Reorganized Berry Non-Conforming Term Notes; (4) the transfer of the Berry Debtors' assets to Reorganized Berry OpCo that is intended to be a taxable transaction for U.S. federal income tax purposes; (5) the issuance and delivery of the Reorganized Berry Common Stock; (6) the distribution and subsequent exercise of the Berry Rights; (7) the issuance and delivery of the Reorganized Berry Preferred Stock pursuant to the Berry Rights Offerings; (8) the assignment or surrender of any lease or sublease; and (9) the delivery of any deed or other instrument or transfer order, in furtherance of, or in connection with the Plan, including any deeds, bills of sale, or assignments executed in connection with any disposition or transfer of assets contemplated under the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer, mortgage recording tax, or other similar tax, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents pursuant to such transfers or property without the payment of any such tax, recordation fee, or governmental assessment.

L. SEC Reporting Requirements.

The Berry Debtors shall cooperate in good faith with the Berry Backstop Parties to prepare a prospectus to be included in a registration statement on Form S-1 to be filed by Reorganized Berry as soon as practicable pursuant to the Berry Backstop Agreement; *provided*, that in any case, from and after the Effective Date, Reorganized Berry shall be required to provide to its shareholders such annual, quarterly, and current reportings as would be required if it were a reporting company under the Exchange Act, which obligation may be satisfied by posting such reports on Reorganized Berry's website, and Reorganized Berry will include such obligation to provide to its shareholders such reports in its New Organizational Documents.

M. Director, Officer, Manager, and Employee Liability Insurance.

On or before the Effective Date, the Berry Debtors or the LINN Debtors or the Reorganized LINN Debtors, as applicable and on behalf of the Reorganized Berry Debtors, will obtain directors' and officers' liability insurance policy coverage for the six-year period following the Effective Date for the benefit of the Debtors' current and former directors, managers, officers, and employees on terms no less favorable to such persons than their existing coverage under the D&O Liability Insurance Policies with available aggregate limits of liability upon the Effective Date of no less than the aggregate limit of liability under the existing D&O Liability Insurance Policies. In furtherance of such obligation, the Reorganized Berry Debtors shall be authorized to purchase tail coverage under a directors' and officers' liability insurance policy with a term of six years for current and former directors, managers, officers, and employees. After the Effective Date, none of the Debtors or the Reorganized Berry Debtors shall terminate or otherwise reduce the coverage under any such policies (including, if applicable, any "tail policy") with respect to conduct occurring on or prior to the Effective Date, and all officers, directors, managers, and employees of the Berry Debtors who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any such policy for the full six-year term of such policy regardless of whether such officers, directors, managers, or employees remain in such positions after the Effective Date.

N. Reorganized Berry Employee Incentive Plan.

The Reorganized Berry Debtor Employee Incentive Plan shall be authorized and implemented on the Effective Date by the applicable Reorganized Debtors without any further action by the Reorganized Berry Board or the Bankruptcy Court.

The Reorganized Berry Employee Incentive Plan will be implemented with respect to Reorganized Berry on the Effective Date. The material terms of the Reorganized Berry Employee Incentive Plan shall be agreed upon prior to the Effective Date and set forth in the Reorganized Berry Employee Incentive Plan Agreement.

O. Employee Obligations.

Except as otherwise provided in the Plan or the Plan Supplement, the Reorganized Berry Debtors shall honor the Berry Debtors' written contracts, agreements, policies, programs and plans for, among other things, compensation, reimbursement, indemnity, health care benefits, disability benefits, deferred compensation benefits, travel benefits, vacation and sick leave benefits, savings, severance benefits, including in the event of a change of control, retirement benefits, welfare benefits, relocation programs, life insurance and accidental death and dismemberment insurance, including written contracts, agreements, policies, programs and plans for bonuses and other incentives or compensation for the directors, officers and employees of any of the Berry Debtors who served in such capacity at any time (including any compensation programs approved by the Bankruptcy Court); *provided*, that the consummation of the transactions contemplated herein shall not constitute a "change in control" with respect to any of the foregoing arrangements. To the extent that the above-listed contracts, agreements, policies, programs and plans are executory contracts, pursuant to sections 365 and 1123 of the Bankruptcy Code, each of them will be deemed assumed as of the Effective Date and assigned to the Reorganized Berry Debtors. Notwithstanding anything in this paragraph to the contrary, the Berry Debtors and the Reorganized Berry Debtors shall not assume or honor any obligations for any officer, manager, or employee of Quantum Energy Partners or Sentinel Peak Resources.

P. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Berry Debtors, and their respective officers and the Reorganized Berry Board, are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan and the Securities authorized and/or issued, as applicable, pursuant to the Plan, including the Berry Rights, the Reorganized Berry Preferred Stock, and the Reorganized Berry Common Stock, in the name of and on behalf of the Reorganized Berry without the need for any approvals, authorization, or consents.

Q. Preservation of Causes of Action.

Except as otherwise provided herein, in accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII of the Plan, the Reorganized Berry Debtors shall retain (or shall receive from the Berry Debtors, as applicable) and may enforce all rights to commence and pursue any and all Causes of Action belonging to their Estates, whether arising before or after the Petition Date, including any actions specifically enumerated in the Plan Supplement and the Retained Causes of Action List (which shall include, for the avoidance of doubt, any Causes of Action held by the Berry Debtors or Reorganized Berry Debtors against either Quantum Energy Partners, Sentinel Peak Resources, and any of their respective officers, managers, or employees), and the Reorganized Berry Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date, other than the Causes of Action released by the Berry Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII and the Causes of Action subject to the Berry-LINN Intercompany Claims Settlement, which shall be deemed released and waived by the Berry Debtors and Reorganized Berry Debtors as of the Effective Date; *provided, however,* that in no event shall any Cause of Action against the Berry Lenders be preserved.

The Reorganized Berry Debtors may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Berry Debtors. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Berry Debtors or the Reorganized Berry Debtors, as applicable, will not pursue any and all available Causes of Action against it.** Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled herein or in a Bankruptcy Court order, the Reorganized Berry Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or Consummation; *provided, however,* that in no event shall any Cause of Action against the Berry Lenders be preserved.

The Reorganized Berry Debtors reserve and shall retain the Causes of Action notwithstanding the rejection of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Berry Debtor may hold against any Entity shall vest in the Reorganized Berry Debtors. The Reorganized Berry Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

R. Preservation of Royalty and Working Interests

Notwithstanding any other provision in the Plan, on and after the Effective Date, all Royalty and Working Interests shall be preserved and remain in full force and effect in accordance with the terms of the granting instruments or other governing documents applicable to such Royalty and Working Interests, and no Royalty and Working Interests shall be compromised or discharged by the Plan. For the avoidance of doubt and notwithstanding anything to the contrary in the preceding sentence, any right to payment arising from a Royalty and Working Interest, if any, shall be treated as a Berry General Unsecured Claim under this Plan and shall be subject to any discharge and/or release provided hereunder.

S. Payment of Certain Fees.

Without any further notice to or action, order, or approval of the Bankruptcy Court, the Reorganized Berry Debtors, as applicable, shall pay on the Effective Date any reasonable and documented unpaid fees and expenses incurred on or before the Effective Date by all of the attorneys, accountants, and other professionals, advisors, and consultants payable under (a) the Berry Exit Facility, (b) the Reorganized Berry Non-Conforming Term Notes, (c) the Berry Backstop Agreement, (d) the Cash Collateral Order (which fees and expenses shall be paid by Reorganized LINN Debtors or the Reorganized Berry Debtors, to the extent applicable, pursuant to the terms of the Cash Collateral Order), and (e) the Berry RSA, including any applicable transaction, success, or similar fees for which the applicable Berry Debtors have agreed to be obligated.

Without any further notice to or action, order, or approval of the Bankruptcy Court, the Reorganized Berry Debtors, as applicable, shall pay on the Effective Date any reasonable and documented unpaid fees and expenses incurred on or before the Effective Date by the Berry Unsecured Notes Trustee (including the reasonable and documented fees and expenses of their counsel and agents) pursuant to the Berry Unsecured Notes Indenture.

ARTICLE V.
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases.

On the Effective Date, except as otherwise provided herein, all Executory Contracts or Unexpired Leases of the Debtors, not previously assumed or rejected pursuant to an order of the Bankruptcy Court, will be deemed to be Assumed Executory Contracts or Unexpired Leases, in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those Executory Contracts or Unexpired Leases that: (1) previously were assumed or rejected by the Berry Debtors; (2) are identified on the Rejected Executory Contract and Unexpired Lease List; (3) are the subject of a motion to reject Executory Contracts or Unexpired Leases that is pending on the Confirmation Date; or (4) are subject to a motion to reject an Executory Contract or Unexpired Lease pursuant to which the requested effective date of such rejection is after the Effective Date; *provided*, that the Berry Debtors or the Reorganized Berry Debtors, as applicable, may not assume or reject any material Executory Contract or Unexpired Lease without the prior written consent of the Required Consenting Berry Creditors (which consent shall not be unreasonably withheld); *provided*, *further*, that following the request for consent by the Berry Debtors or Reorganized Berry, if the consent of the Required Consenting Berry Creditors is not obtained or declined within five (5) Business Days following written request thereof by the Berry Debtors or Reorganized Berry, such consent shall be deemed to have been granted by the Required Consenting Berry Creditors.

Entry of the Confirmation Order by the Bankruptcy Court shall constitute a court order approving the assumptions, assumptions and assignments, or rejections of the Executory Contracts or Unexpired Leases as set forth in the Plan, the Rejected Executory Contract and Unexpired Lease List, or the Assumed Executory Contract and Unexpired Lease List pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Any motions to assume Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order. Each Executory Contract and Unexpired Lease assumed pursuant to this Article V.A or by any order of the Bankruptcy Court, which has not been assigned to a third party before the Confirmation Date, shall revest in and be fully enforceable by the Reorganized Berry Debtors in accordance with its terms, except as such terms are modified by the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law. Notwithstanding anything this Article V.A. to the contrary, the Reorganized Berry Employment Agreements shall be deemed to be entered into or assumed and/or assigned to Reorganized Berry on the Effective Date, and Reorganized Berry shall be responsible for any cure costs arising from or related to the assumption of such Reorganized Berry Employment Agreements. Notwithstanding anything to the contrary in the Plan, the Berry Debtors or the Reorganized Berry Debtors, as applicable, reserve the right to alter, amend, modify, or supplement the Rejected Executory Contract and Unexpired Lease List and the Assumed Executory Contract and Unexpired Lease List at any time through and including 30 days after the Effective Date, subject to any consent right of the Required Consenting Berry Creditors, as applicable, as set forth in the Plan.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or the Confirmation Order, if any, must be Filed within 30 days after the later of: (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection; and (2) the effective date of such rejection. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable**

against the Berry Debtors, Reorganized Berry Debtors, Reorganized Berry, the Estates, or their property without the need for any objection by Reorganized Berry or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a Proof of Claim to the contrary. All Allowed Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims against the applicable Debtor and shall be treated in accordance with the Plan, unless a different security or priority is otherwise asserted in such Proof of Claim and Allowed in accordance with Article VII of the Plan.

C. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

Any monetary defaults under each Assumed Executory Contract or Unexpired Lease (calculated as of the Petition Date) shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date, or as soon as reasonably practicable thereafter, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Berry Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order resolving the dispute and approving the assumption.

At least fourteen (14) days before the Confirmation Hearing, the Berry Debtors will provide for notices of proposed assumption and proposed cure amounts to be sent to applicable third parties and for procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or related cure amount must be Filed, served, and actually received by the Debtors at least seven (7) days before the Confirmation Hearing. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have consented to such assumption or proposed cure amount.

If the Bankruptcy Court determines that the Allowed Cure Claim with respect to any Executory Contract or Unexpired Lease is greater than the amount set forth in the applicable Cure Notice, the Berry Debtors or Reorganized Berry Debtors, as applicable, may add such Executory Contract or Unexpired Lease to the Schedule of Rejected Executory Contracts and Unexpired Leases, in which case such Executory Contract or Unexpired Lease will be deemed rejected as the Effective Date.

Assumption of any Executory Contract or Unexpired Lease shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any Assumed Executory Contract or Unexpired Lease at any time before the effective date of assumption. **Any Proofs of Claim Filed with respect to an Assumed Executory Contract or Unexpired Lease shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.**

D. Preexisting Obligations to the Berry Debtors under Executory Contracts and Unexpired Leases.

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed by the Executory Contract or Unexpired Lease counterparty or counterparties to the Berry Debtors or the Reorganized Berry Debtors, as applicable, under such Executory Contracts or Unexpired Leases.

E. Indemnification Obligations.

The Berry Debtors and Reorganized Berry Debtors shall assume the Indemnification Obligations for the current and former directors, officers, managers, employees, and other professionals of the Berry Debtors, to the extent consistent with applicable law, and such Indemnification Obligations shall not be modified, reduced,

discharged, impaired, or otherwise affected in any way, and shall survive Unimpaired and unaffected, irrespective of when such obligation arose. Notwithstanding the foregoing, nothing shall impair the ability of Reorganized Berry Debtors to modify indemnification obligations (whether in the bylaws, certificates or incorporate or formation, limited liability company agreements, other organizational or formation documents, board resolutions, indemnification agreements, employment contracts, or otherwise) arising after the Effective Date; *provided*, that none of the Reorganized Debtors shall amend or restate any of the New Organizational Documents before the Effective Date to terminate or adversely affect any of the Reorganized Berry Debtors' Indemnification Obligations. For the avoidance of doubt, nothing in this paragraph shall affect the assumption of any Indemnification Obligations arising under the D&O Liability Insurance Policies. Notwithstanding anything in this paragraph to the contrary, the Berry Debtors and the Reorganized Berry Debtors shall not assume any Indemnification Obligations for any officer, manager, or employee of Quantum Energy Partners or Sentinel Peak Resources.

F. Insurance Policies.

Each of the Berry Debtors' Insurance Policies is treated as an Executory Contract under the Plan. Unless otherwise provided in the Plan, on the Effective Date, the Berry Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims, and such Insurance Policies shall not be impaired in any way by the Plan or Confirmation Order, but rather will remain valid and enforceable in accordance with their terms.

G. Modifications, Amendments, Supplements, Restatements, or Other Agreements.

Unless otherwise provided in the Plan or the Confirmation Order, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements have been previously rejected or repudiated or is rejected or repudiated under the Plan.

Unless otherwise provided herein or in the applicable Executory Contract or Unexpired Lease (as may have been amended, modified, supplemented, or restated), modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Berry Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

H. Reservation of Rights.

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Rejected Executory Contract and Unexpired Lease List, nor anything contained in the Plan, shall constitute an admission by the Berry Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Reorganized Berry Debtors has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Berry Debtors or the Reorganized Berry Debtors, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease.

I. Nonoccurrence of Effective Date.

In the event that the Effective Date does not occur with respect to a Berry Debtor, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases with respect to such Berry Debtor pursuant to section 365(d)(4) of the Bankruptcy Code, unless such deadline(s) have expired.

J. Contracts and Leases Entered Into After the Petition Date.

Contracts and leases entered into after the Petition Date by any Berry Debtor, including any Assumed Executory Contracts or Unexpired Leases, will be performed by the applicable Berry Debtor or the applicable Reorganized Berry Debtor liable thereunder in the ordinary course of their business. Accordingly, any such contracts and leases (including any Assumed Executory Contracts or Unexpired Leases) that have not been rejected as of the date of the Confirmation Date shall survive and remain unaffected by entry of the Confirmation Order.

ARTICLE VI.
PROVISIONS GOVERNING DISTRIBUTIONS

A. Timing and Calculation of Amounts to Be Distributed.

Unless otherwise provided in the Plan, on the Effective Date (or if a Claim or Interest is not an Allowed Claim or Allowed Interest on the Effective Date, on the date that such Claim or Interest becomes an Allowed Claim or Allowed Interest, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim or Allowed Interest shall receive the full amount of the distributions that the Plan provides for Allowed Claims and Allowed Interest in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims or Disputed Interests, distributions on account of any such Disputed Claims or Disputed Interests shall be made pursuant to the provisions set forth in Article VII of the Plan.

B. Delivery of Distributions and Undeliverable or Unclaimed Distributions.

1. Record Date for Distribution.

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

2. Delivery of Distributions in General.

Except as otherwise provided herein, the Reorganized Berry Debtors shall make distributions to Holders of Allowed Claims and Allowed Interests as of the Distribution Record Date at the address for each such Holder as indicated on the Berry Debtors' records as of the date of any such distribution; *provided, however,* that the Distribution Record Date shall not apply to publicly-traded Securities. The manner of such distributions shall be determined at the discretion of the Reorganized Berry Debtors, and the address for each Holder of an Allowed Claim or Allowed Interest shall be deemed to be the address set forth in any Proof of Claim or Interest Filed by that Holder.

3. Delivery of Distributions on Berry Lender Claims.

Except as otherwise provided in the Plan, all distributions on account of Allowed Berry Lender Claims shall be governed by the Berry Credit Agreement and shall be deemed completed when made to the Berry Administrative Agent, which shall be deemed the Holder of such Allowed Berry Lender Claims for purposes of distributions to be made hereunder. The Berry Administrative Agent shall hold or direct such distributions for the benefit of the Holders of Allowed Berry Lender Claims for the benefit of the Holders of Allowed Berry Lender Claims, as applicable. As soon as practicable following compliance with the requirements set forth in this Article VI, the Berry Administrative Agent shall arrange to deliver or direct the delivery of such distributions to or on behalf of the Holders of Allowed Berry Lender Claims.

4. Delivery of Distributions on Berry Unsecured Notes Claims.

Except as otherwise provided in the Plan or reasonably requested by the Berry Unsecured Notes Trustee, all distributions to Holders of Allowed Berry Unsecured Notes Claims shall be deemed completed when made to the Berry Unsecured Notes Trustee, which shall be deemed to be the Holder of all Allowed Berry Unsecured Notes Claims for purposes of distributions to be made hereunder. The Berry Unsecured Notes Trustee shall hold or direct such distributions for the benefit of the Holders of Allowed Berry Unsecured Notes Claims. As soon as practicable in accordance with the requirements set forth in this Article VI, the Berry Unsecured Notes Trustee shall arrange to deliver such distributions to or on behalf of such Holders.

5. Delivery of Distributions to Holders of Berry General Unsecured Claims.

Pursuant to the Plan and the Confirmation Order, the Berry Debtors and Reorganized Berry Debtors, as applicable, will, with the consent of the Required Consenting Berry Noteholders, and in consultation with (and subject to the reasonable consent of) the Committee prior to the Effective Date, and as set forth in the Confirmation Order, determine the method for a timely distribution (including, for the avoidance of doubt, the method for determining whether each Holder of an Allowed Berry Unsecured Notes Claim who irrevocably elects to receive its Pro Rata share of the Berry GUC Cash Distribution Pool instead of any distribution of Reorganized Berry Common Stock is a Non-Accredited Investor) of all distributions of the Reorganized Berry Common Stock to applicable Holders of Allowed Berry General Unsecured Claims and/or Allowed Berry Unsecured Notes Claims and Cash from the Berry GUC Cash Distribution Pool to applicable Holders of Allowed Berry General Unsecured Claims and/or applicable Allowed Berry Unsecured Notes Claims who have irrevocably elected to receive their Pro Rata share of the Berry GUC Cash Distribution Pool instead of any distribution of Reorganized Berry Common Stock.

6. No Fractional Distributions.

No fractional shares of Reorganized Berry Common Stock or Reorganized Berry Preferred Stock shall be distributed and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to the Plan on account of an applicable Allowed Claim would otherwise result in the issuance of a number of shares of Reorganized Berry Common Stock or Reorganized Berry Preferred Stock that is not a whole number, the actual distribution of shares of Reorganized Berry Common Stock or Reorganized Berry Preferred Stock shall be rounded as follows: (a) fractions of one-half (½) or greater shall be rounded to the next higher whole number and (b) fractions of less than one-half (½) shall be rounded to the next lower whole number with no further payment therefor; *provided*, *however*, that to the extent this provision conflicts with the Berry Backstop Agreement with respect to the Reorganized Berry Preferred Stock, the Berry Backstop Agreement shall govern with respect to the treatment of fractional amounts of shares of Reorganized Berry Preferred Stock. The total number of authorized shares of Reorganized Berry Common Stock or Reorganized Berry Preferred Stock to be distributed to Holders of Allowed Claims shall be adjusted as necessary to account for the foregoing rounding.

7. Minimum Distribution.

No Cash payment of less than $50.00 shall be made to a Holder of an Allowed Claim on account of such Allowed Claim.

8. Undeliverable Distributions and Unclaimed Property.

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Reorganized Berry Debtors have determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided*, *however*, that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six (6) months from the Effective Date. After such date, all unclaimed property or interests in property shall revert to the applicable Reorganized Berry Debtor(s) automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary), and any claim of any Holder to such property shall be fully discharged, released, and forever barred.

C. Manner of Payment.

Unless as otherwise set forth herein, all distributions of Cash, the Reorganized Berry Common Stock, the Berry Rights, and the Reorganized Berry Preferred Stock, as applicable, to the Holders of Allowed Claims under the Plan shall be made by the Reorganized Berry Debtors. At the option of the Reorganized Berry Debtors, any Cash payment to be made under the Plan may be made by check or wire transfer or as otherwise required or provided in applicable agreements.

D. SEC Exemption.

Each of the Reorganized Berry Common Stock, the Berry Rights, and the Reorganized Berry Preferred Stock are or may be "securities," as defined in Section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and applicable state securities laws.

All shares of the Reorganized Berry Common Stock issued under the Plan (except with respect to an entity that is an "underwriter" as defined in subsection (b) of section 1145 of the Bankruptcy Code) will be issued in reliance upon section 1145 of the Bankruptcy Code. The Berry Rights (and any shares issuable upon the exercise thereof), shares issuable as part of the Berry Backstop Commitment Premium, the Reorganized Berry Preferred Stock and all unsubscribed shares of Reorganized Berry Preferred Stock issued to the Berry Backstop Parties pursuant to the Berry Backstop Agreement will be issued in reliance upon either (a) section 1145 of the Bankruptcy Code or (b) section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder. All shares of the Reorganized Berry Common Stock and the Reorganized Berry Preferred Stock issued pursuant to the exemption from registration set forth in section 4 (a)(2) of the Securities Act or Regulation D promulgated thereunder will be considered "restricted securities" and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom.

Pursuant to section 1145 of the Bankruptcy Code, the issuance of the Reorganized Berry Common Stock issued in reliance on section 1145 of the Bankruptcy Code, is exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration before the offering, issuance, distribution, or sale of such securities. The Reorganized Berry Common Stock issued in reliance on section 1145 (a) is not a "restricted security" as defined in Rule 144(a)(3) under the Securities Act, and (b) is freely tradable and transferable by any initial recipient thereof that (i) at the time of transfer, is not an "affiliate" of the Reorganized Berry as defined in Rule 144(a)(1) under the Securities Act and has not been such an "affiliate" within 90 days of such transfer, and (ii) is not an entity that is an "underwriter" as defined in subsection (b) of section 1145 of the Bankruptcy Code.

The Berry Rights (and any shares issuable upon the exercise thereof), shares issuable as part of the Berry Backstop Commitment Premium, the Reorganized Berry Preferred Stock, and all unsubscribed Reorganized Berry Preferred Stock purchased by the Berry Backstop Parties pursuant to the Berry Backstop Agreement will be issued without registration under the Securities Act in reliance upon either (a) Section 1145 of the Bankruptcy Code or (b) Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder. To the extent issued in reliance on Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, each will be "restricted securities" subject to resale restrictions and may be resold, exchanged, assigned or otherwise transferred only pursuant to registration, or an applicable exemption from registration under the Securities Act and other applicable law.

Should the Reorganized Berry Debtors or Reorganized Berry, as applicable, elect on or after the Effective Date to reflect any ownership of the Reorganized Berry Common Stock or Reorganized Berry Preferred Stock through the facilities of DTC, the Reorganized Berry Debtors need not provide any further evidence other than the Plan or the Confirmation Order with respect to the treatment of the Reorganized Berry Common Stock or Reorganized Berry Preferred Stock under applicable securities laws.

DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether any of the Reorganized Berry Common Stock or Reorganized Berry Preferred Stock (including any shares issuable upon exercise of the Berry Rights), are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

Notwithstanding anything to the contrary in the Plan, no entity (including, for the avoidance of doubt, DTC) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance of doubt, whether the Reorganized Berry Common Stock or the Reorganized Berry Preferred Stock issuable upon exercise of the Berry Rights are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

E. Compliance with Tax Requirements.

In connection with the Plan, as applicable, the Berry Debtors and the Reorganized Berry Debtor(s) shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit with respect to distributions pursuant to the Plan. Notwithstanding any provision herein to the contrary, the Berry Debtors and the Reorganized Berry Debtors shall be authorized to take all actions necessary to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, and establishing any other mechanisms they believe are reasonable and appropriate to comply with such requirements. The Berry Debtors and the Reorganized Berry Debtors reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

F. No Postpetition or Default Interest on Claims.

Unless otherwise specifically provided for in the Plan or the Confirmation Order, and notwithstanding any documents that govern the Berry Debtors' prepetition funded indebtedness to the contrary, (a) postpetition and/or default interest shall not accrue or be paid on any Claims and (b) no Holder of a Claim shall be entitled to: (i) interest accruing on or after the Petition Date on any such Claim; or (ii) interest at the contract default rate, as applicable; *provided*, *however*, that nothing herein shall affect the payment of postpetition interest and/or adequate protection payments made to the Berry Lenders pursuant to the Cash Collateral Order.

G. Setoffs and Recoupment.

Unless otherwise provided for in the Plan or the Confirmation Order, the Berry Debtors and Reorganized Berry Debtors, as applicable, may, but shall not be required to, setoff against or recoup any payments or distributions to be made pursuant to the Plan in respect of any Claims of any nature whatsoever that the Berry Debtors or the Reorganized Berry Debtors may have against the claimant, but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Berry Debtors or the Reorganized Berry Debtors of any such claim it may have against the Holder of such Claim.

H. No Double Payment of Claims.

To the extent that a Claim is Allowed against more than one Berry Debtor's Estate, there shall be only a single recovery on account of that Allowed Claim, but the Holder of an Allowed Claim against more than one Berry Debtor may recover distributions from all co-obligor Berry Debtors' Estates until the Holder has received payment in full on the Allowed Claims. No Holder of an Allowed Claim shall be entitled to receive more than payment in full of its Allowed Claim, and each Claim shall be administered and treated in the manner provided by the Plan only until payment in full on that Allowed Claim.

I. Claims Paid or Payable by Third Parties.

1. Claims Paid by Third Parties.

The Berry Debtors or the Reorganized Berry Debtors, as applicable, shall reduce a Claim, and such Claim shall be disallowed without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment on account of such Claim from a party that is not a Berry Debtor or a Reorganized Berry Debtor. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives

payment from a party that is not a Berry Debtor or a Reorganized Berry Debtor on account of such Claim, such Holder shall, within fourteen (14) days of receipt thereof, repay or return the distribution to the applicable Reorganized Berry Debtor, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Reorganized Berry Debtor annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the 14-day period specified above until the amount is repaid.

2. Claims Payable by Third Parties.

Except as otherwise provided under the Plan, (i) no distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Berry Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy, and (ii) to the extent that one or more of the Berry Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies.

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Berry Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein (a) constitute or be deemed a waiver by such insurers of any rights or defenses, including coverage defenses, held by such insurers, or (b) establish, determine, or otherwise imply any liability or obligation, including any coverage obligation, of any insurer.

J. Allocation of Distributions Between Principal and Interest.

For distributions in respect of Allowed Berry Lender Claims, Allowed Berry Unsecured Notes Claims, and Allowed Berry General Unsecured Claims to the extent that any such Allowed Claim entitled to a distribution under the Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall be allocated to the principal amount (as determined for U.S. federal income tax purposes) of the Claim first, and then to accrued but unpaid interest; *provided*, that for distributions in respect of Allowed Berry Lender Claims, to the extent that any such Claim entitled to a distribution under the Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall be allocated to the accrued but unpaid interest first, and then to the principal amount.

ARTICLE VII.
PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

A. Allowance of Claims.

Except as otherwise set forth in the Plan, after the Effective Date, each of the Reorganized Berry Debtors shall have and retain any and all rights and defenses such Berry Debtor had with respect to any Claim immediately before the Effective Date. Except as specifically provided in the Plan or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code, or the Bankruptcy Court has entered a Final Order, including the Confirmation Order (when it becomes a Final Order), in the Chapter 11 Cases allowing such claim.

B. Claims Administration Responsibilities.

Except as otherwise specifically provided in the Plan, after the Effective Date, the applicable Reorganized Berry Debtor(s) shall have the sole authority: (1) to File, withdraw, or litigate to judgment, objections to Claims; (2) to settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court.

Prior to the Confirmation Hearing, the Berry Debtors, the Consenting Berry Noteholders, and the Committee shall work together in good faith to determine (1) the funding of the costs incurred (including legal fees and expenses) in connection with the claims reconciliation process with respect to Disputed Berry General Unsecured Claims, (2) other claims administration responsibilities with respect to Disputed Berry General Unsecured Claims, and (3) the eligibility (or Non-Accredited Investor status) of Holders of Berry Unsecured Notes Claims that elect to receive a Pro Rata share of the Berry GUC Cash Distribution Pool instead of any distribution of Reorganized Berry Common Stock, the resolution of each of which shall be documented in the Confirmation Order.

C. Berry GUC Cash Distribution Pool.

On the Effective Date, the Berry Debtors shall irrevocably fund the Berry GUC Cash Distribution Pool into a separate, segregated bank account not subject to the control of the lenders or the administrative agent under the Berry Exit Facility, which accounts shall not be, at any time, subject to any liens, security interests, or other encumbrances. Except as provided herein, Cash held on account of the Berry GUC Cash Distribution Pool shall not constitute property of the Berry Debtors or the Reorganized Berry Debtors and distributions from such accounts shall be made in accordance with Article III, Article IV, and Article VII hereof. In the event there is any remaining Cash balance in the Berry GUC Cash Distribution Pool after payment to all Holders of Allowed Berry General Unsecured Claims and/or applicable Allowed Berry Unsecured Notes Claims that elect to receive such Cash distributions in lieu of any recovery in the form of shares of Reorganized Berry Common Stock, such remaining amount, if any, shall be returned to the Reorganized Berry Debtors for general corporate purposes.

Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including receipt by the Reorganized Berry Debtors (and/or any other party responsible for administration of the Berry GUC Cash Distribution Pool (if any)) of a private letter ruling if so requested, or the receipt of an adverse determination by the IRS upon audit if not contested by the Reorganized Berry Debtors), the Reorganized Berry Debtors (and/or any other party responsible for administration of the Berry GUC Cash Distribution Pool (if any)) shall (i) treat the Berry GUC Cash Distribution Pool as a "disputed ownership fund" governed by Treasury Regulation section 1.468B-9 (and make any appropriate elections) and (ii) to the extent permitted by applicable law, report consistently with the foregoing for state and local income tax purposes. All parties (including the Reorganized Berry Debtors and the Holders of Claims and Interests, and/or any other party responsible for administration of the Berry GUC Cash Distribution Pool (if any)) shall report for United States federal, state, and local income tax purposes consistently with the foregoing. The Reorganized Berry Debtors (and/or any other party responsible for administration of the Berry GUC Cash Distribution Pool (if any)) shall be responsible for payment, out of the Cash assets of the Berry GUC Cash Distribution Pool of any taxes imposed on such pools or their assets.

The Reorganized Berry Debtors (and/or any other party responsible for administration of the Berry GUC Cash Distribution Pool (if any)) may request an expedited determination of taxes of the Berry GUC Cash Distribution Pool under section 505(b) of the Bankruptcy Code for all tax returns for all taxable periods through the closing of such accounts.

D. Estimation of Claims.

Before or after the Effective Date, the Berry Debtors or the Reorganized Berry Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Disputed Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection.

Notwithstanding any provision to the contrary in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Berry Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim.

Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before seven (7) days after the date on which such Claim is estimated. Each of the foregoing Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

E. Claims Reserve.

On or before the Effective Date, the Berry Debtors or the Reorganized Berry Debtors (and/or any other party responsible for administration of any Disputed Claims Reserve (if any)) shall be authorized, but not directed, to establish, in consultation with the Committee prior to the Effective Date, one or more Disputed Claims Reserves, which Disputed Claims Reserve shall be administered by the Reorganized Berry Debtors (and/or any other party responsible for administration of any Disputed Claims Reserve (if any)), to the extent applicable.

The Reorganized Berry Debtors (and/or any other party responsible for administration of any Disputed Claims Reserve (if any)) may, in their sole discretion, hold Cash, in the same proportions and amounts provided for in the Plan in the Berry GUC Cash Distribution Pool for applicable Holders of Allowed Berry General Unsecured Claims and/or applicable Allowed Berry Unsecured Notes Claims, and Reorganized Berry Common Stock, in the same proportions and amounts as provided for in the Plan, in the Disputed Claims Reserves in trust for the benefit of the Holders of the total estimated amount of Claims ultimately determined to be Allowed after the Effective Date; *provided*, *however*, that the Reorganized Berry Debtors may, rather than issuing Reorganized Berry Common Stock into a trust, elect to issue such stock directly to Holders of Claims ultimately determined to be Allowed as and when such Claims are Allowed. The Reorganized Berry Debtors shall distribute such amounts (net of any expenses, including any taxes relating thereto), as provided herein, as such Claims are resolved by a Final Order or agreed to by settlement, and such amounts will be distributable on account of such Claims as such amounts would have been distributable had such Claims been Allowed Claims as of the Effective Date under the Plan solely to the extent of the amounts available in the applicable Disputed Claims Reserves. Any portions of the Berry GUC Cash Distribution Pool remaining after resolution of the Disputed Berry General Unsecured Claims shall be released from the applicable Disputed Claims reserves for Pro Rata distributions to each Holder of Allowed Berry General Unsecured Claims who have irrevocably elected to receive its Pro Rata share of the Berry GUC Cash Distribution Pool; *provided*, that in no event shall any such Holder of an Allowed Berry General Unsecured Claim receive a Cash recovery in excess of $0.35 on each $1.00 of its Allowed Berry General Unsecured Claim; *provided*, *further*, that to the extent that there are any amounts of the Berry GUC Cash Distribution Pool remaining after each applicable Holder of Allowed Berry General Unsecured Claims has received its maximum Cash recovery, such excess funds shall be returned to the Reorganized Berry Debtors for general corporate uses.

Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including receipt by the Reorganized Berry Debtors (and/or any other party responsible for administration of any Disputed Claims Reserve (if any)) of a private letter ruling if so requested, or the receipt of an adverse determination by the IRS upon audit if not contested by the Reorganized Berry Debtors), the Reorganized Berry Debtors (and/or any other party responsible for administration of any Disputed Claims Reserve (if any)) shall (i) treat any Disputed Claims Reserve as a "disputed ownership fund" governed by Treasury Regulation section 1.468B-9 (and make any appropriate elections) and (ii) to the extent permitted by applicable law, report consistently with the foregoing for state and local income tax purposes. All parties (including the Reorganized Berry Debtors and the Holders of Claims and Interests) shall report for United States federal, state, and local income tax purposes consistently with the foregoing. The Reorganized Berry Debtors (and/or any other party responsible for administration of any Disputed Claims Reserve (if any)) shall be responsible for payment, out of the Cash assets of the Berry GUC Cash Distribution Pool of any taxes imposed on such pools or their assets.

The Reorganized Berry Debtors (and/or any other party responsible for administration of any Disputed Claims Reserve (if any)) may request an expedited determination of taxes of the Berry GUC Cash Distribution Pool under section 505(b) of the Bankruptcy Code for all tax returns for all taxable periods through the closing of such accounts.

F. Adjustment to Claims without Objection.

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the Claims Register by the Reorganized Berry Debtors without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

G. Time to File Objections to Claims or Interests.

Any objections to Claims or Interests shall be Filed on or before the Claims Objection Deadline.

H. Disallowance of Claims.

Any Claims held by Entities from which the Bankruptcy Court has determined that property is recoverable under section 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a transfer that the Bankruptcy Court has determined is avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and the full amount of such obligation to the Berry Debtors has been paid or turned over in full. All Proofs of Claim Filed on account of an Indemnification Obligation shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such Indemnification Obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court. All Proofs of Claim Filed on account of an employee benefit shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent the Reorganized Entities elect to honor such employee benefit, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as provided herein or otherwise agreed, any and all Proofs of Claim Filed after the Bar Date shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless on or before the Confirmation Hearing such late Claim has been deemed timely Filed by a Final Order.

I. Amendments to Proofs of Claim.

On or after the Effective Date, a Proof of Claim or Interest may not be Filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Berry Debtors, and any such new or amended Proof of Claim or Interest Filed that is not so authorized before it is Filed shall be deemed disallowed in full and expunged without any further action.

J. Reimbursement or Contribution.

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless before the Confirmation Date: (1) such Claim has been adjudicated as non-contingent; or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered before the Confirmation Date determining such Claim as no longer contingent.

K. No Distributions Pending Allowance.

Except as otherwise set forth herein, if an objection to a Claim or portion thereof is Filed as set forth in Article VII.A and Article VII.B of the Plan, no payment or distribution provided under the Plan shall be made on account of such Disputed Claim or portion thereof unless and until such Disputed Claim becomes an Allowed Claim.

L. Distributions After Allowance.

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as reasonably practicable after the date a Disputed Claim becomes Allowed, the Reorganized Debtors shall provide to the Holder of such Claim the distribution (if any) to which such Holder is entitled under the Plan, as of the Effective Date, without any interest, dividends, or accruals to be paid on account of such Claim unless required under such order or judgment of the Bankruptcy Court.

ARTICLE VIII.
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. Compromise and Settlement of Claims, Interests, and Controversies

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good-faith compromise and settlement of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Interest, or any distribution to be made on account of such Allowed Claim or Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Berry Debtors, their Estates, and Holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of the Plan, pursuant to Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Berry Debtors may compromise and settle Claims against, and Interests in, the Berry Debtors and their Estates and Causes of Action against other Entities.

B. Discharge of Claims and Termination of Interests.

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Berry Debtors), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Berry Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Berry Debtors or the LINN Debtors and the Reorganized LINN Debtors attributable to the Berry Debtors before the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or Affiliates with respect to any Claim or Interest that existed immediately before or on account of the Filing of the Chapter 11 Cases shall be deemed cured (and no longer continuing) as of the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring.

C. Release of Liens.

Except as otherwise specifically provided in the Plan or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, except for Other Berry Secured Claims that the Berry Debtors elect to Reinstate in accordance with Article III.B.1 of the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Berry Debtors and their successors and assigns (including Reorganized Berry), in each case, without any further approval or order of the Bankruptcy Court and without any action or Filing being required to be made by the Berry Debtors or Reorganized Berry Debtors; *provided,* that this Article VIII.C shall not apply to the Berry Lender Claims to the extent specifically provided for in the Berry Exit Facility Documents and the Reorganized Berry Non-Conforming Term Notes Documents.

D. Releases by the Debtors.

In addition to the releases set forth in the Berry-LINN Intercompany Settlement Agreement, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, each Released Party is deemed released and discharged by the Berry Debtors, the Reorganized Berry Debtors, and their Estates from any and all Claims and Causes of Action, whether known or unknown, including any derivative claims, asserted on behalf of the Berry Debtors, that the Berry Debtors, the Reorganized Berry Debtors, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Interest, based on or relating to, or in any manner arising from, in whole or in part, the Berry Debtors (including the management, ownership or operation thereof), the Berry Debtors' in- or out-of-court restructuring efforts, intercompany transactions (including dividends and management fees paid), the Berry Credit Agreement, the Berry Unsecured Notes, the Cash Collateral Order (and any payments or transfers in connection therewith), the Cash Management Order, any preference or avoidance claim pursuant to sections 544, 547, 548, and 549 of the Bankruptcy Code, the formulation, preparation, dissemination, negotiation, or consummation of the Berry Exit Facility, the Reorganized Berry Non-Conforming Term Notes, the Berry Backstop Agreement, the Berry Rights Offerings, or any Berry Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Berry RSA, the Original Berry RSA, the Disclosure Statement, the Plan, the Berry Exit Facility, the Reorganized Berry Non-Conforming Term Notes, the Berry Rights Offerings, the Chapter 11 Cases, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan, or any other related agreement, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date related or relating to the foregoing. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Berry Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

E. Releases by Holders of Claims and Interests.

As of the Effective Date, each Releasing Party is deemed to have released and discharged each Debtor, Reorganized Berry Debtor, and each Released Party from any and all Claims and Causes of Action, including Claims and Causes of Action, whether known or unknown, including any derivative claims, asserted on behalf of the Berry Debtors, that such Entity would have been legally entitled to assert (whether

individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership or operation thereof), Reorganized Berry (including the formation thereof), the Debtors' in- or out-of-court restructuring efforts, intercompany transactions (including dividends paid), transactions pursuant and/or related to the Berry Backstop Agreement, the Berry Credit Agreement, the Berry Rights Offerings, the New Organizational Documents, the Reorganized Berry Registration Rights Agreement, the Berry Unsecured Notes, the Cash Collateral Order (and any payments or transfers in connection therewith), the Cash Management Order, the Berry Unsecured Notes, the formulation, preparation, dissemination, negotiation, or Filing of the Berry RSA, the Original Berry RSA, the Berry Rights Offerings, the Berry Backstop Agreement, the Berry Exit Facility, the Reorganized Berry Non-Conforming Term Notes, or any Berry Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Berry RSA, the Original Berry RSA, the Disclosure Statement, the Plan, the Berry Exit Facility, the Reorganized Berry Non-Conforming Term Notes, the Berry Rights Offerings, the Chapter 11 Cases, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan, or any other related agreement, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date related or relating to the foregoing; *provided, however,* that except as expressly provided under the Plan, the foregoing releases shall not release obligations arising under agreements among the Releasing Parties and the Released Parties other than the Berry Debtors, and shall not release claims related to any act or omission that is determined in a final order to have constituted actual fraud, willful misconduct, or gross negligence.

F. Exculpation.

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur liability for, and each Exculpated Party is hereby released and exculpated from, any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, Filing, or termination of the Berry RSA, the Original Berry RSA, and related prepetition transactions, the Disclosure Statement, the Plan, or any Restructuring Transaction, contract, instrument, release or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Disclosure Statement, the Plan, the Berry RSA, the Original Berry RSA, the Berry Exit Facility, the Reorganized Berry Non-Conforming Term Notes, the Berry Rights Offerings, the Berry Backstop Agreement, the formation of Reorganized Berry, the Filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance of Securities pursuant to the Plan, or the distribution of property under the Plan, or any other related agreement, except for claims related to any act or omission that is determined in a final order to have constituted actual fraud, willful misconduct, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to or in connection with the Plan and the Berry Restructuring Transactions. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of, and distribution of, consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

G. Injunction.

Except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities that have held, hold, or may hold claims or interests that have been released pursuant to Article VIII.D or Article VIII.E of the Plan, shall be discharged

pursuant to Article VIII.A of the Plan, or are subject to exculpation pursuant to Article VIII.F of the Plan, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Berry Debtors, the Reorganized Berry Debtors, or the Released Parties: (i) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests; (ii) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims or interests; (iii) creating, perfecting, or enforcing any lien or encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such claims or interests; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims or interests unless such Entity has timely asserted such setoff right in a document Filed with the Bankruptcy Court explicitly preserving such setoff, and notwithstanding an indication of a claim or interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (v) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests released or settled pursuant to the Plan; *provided, however,* that such injunction shall not apply to claims related to any act or omission that is determined in a final order to have constituted actual fraud, willful misconduct, or gross negligence.

H. Protections Against Discriminatory Treatment.

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Berry Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Berry Debtors, or another Entity with whom the Reorganized Berry Debtors have been associated (including Reorganized Berry), solely because each Berry Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Berry Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

I. Regulatory Activities.

Notwithstanding anything to the contrary herein, nothing in the Plan or Confirmation Order is intended to affect the police or regulatory activities of Governmental Units or other governmental agencies, except to the extent permitted by the Bankruptcy Code and other applicable law.

J. Recoupment.

In no event shall any Holder of Claims or Interests be entitled to recoup any Claim against any claim, right, or Cause of Action of the Berry Debtors or the Reorganized Berry Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Berry Debtors on or before the Confirmation Date, notwithstanding any indication in any Proof of Claim or Proof of Interest or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

K. Document Retention.

On and after the Effective Date, the Reorganized Berry Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Reorganized Berry Debtors.

ARTICLE IX.
CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. Conditions Precedent to Confirmation.

It shall be a condition to Confirmation with respect to the Berry Debtors that the following shall have been satisfied or waived pursuant to the provisions of Article IX.C of the Plan:

1. the Bankruptcy Court shall have entered the Disclosure Statement Order, the Berry Backstop Agreement Order, and the Confirmation Order in a manner consistent in all material respects with the Plan, the Berry RSA, and the Berry Backstop Agreement, each in form and substance reasonably satisfactory to the Berry Debtors and the Required Consenting Berry Creditors; and

2. the Confirmation Order shall, among other things:

(a) authorize the Berry Debtors and the Reorganized Berry Debtors to take all actions necessary to enter into, implement, and consummate the contracts, instruments, releases, leases, indentures, and other agreements or documents created in connection with the Plan;

(b) decree that the provisions of the Confirmation Order and the Plan are nonseverable and mutually dependent;

(c) authorize the Berry Debtors and the Reorganized Berry Debtors, as applicable/necessary, to: (i) implement the Berry Restructuring Transactions; (ii) authorize, issue, incur, and/or distribute the Berry Exit Facility, the Reorganized Berry Non-Conforming Term Notes, the Reorganized Berry Common Stock, and the Berry Rights (and any shares of Reorganized Berry Preferred Stock issuable upon the exercise thereof); (iii) make all distributions and issuances as required under the Plan, including Cash, the Reorganized Berry Common Stock, the Berry Rights (and any shares of Reorganized Berry Preferred Stock issuable upon the exercise thereof and the unsubscribed shares issued to the Berry Backstop Parties pursuant to the Berry Backstop Agreement), the Reorganized Berry Preferred Stock, shares of Reorganized Berry Preferred Stock issuable as part of the Berry Backstop Commitment Premium, the Berry Exit Facility, and the Reorganized Berry Non-Conforming Term Notes, pursuant to applicable exemptions from registration as set forth in Article VI.D; (iv) establish and fund the Berry GUC Cash Distribution Pool; and (v) enter into any agreements, transactions, and sales of property as set forth in the Plan Supplement with respect to the Berry Debtors and the Reorganized Berry Debtors, as applicable, including the Berry Exit Facility Documents and the Reorganized Berry Non-Conforming Term Notes Documents;

(d) provide that on the Effective Date, all of the Liens and security interests to be granted in accordance with the Berry Exit Facility Documents (a) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Berry Exit Facility Documentation, (b) shall be deemed automatically attached and perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Berry Exit Facility Documents, and (c) shall not be subject to avoidance, recharacterization, or subordination (including equitable subordination) for any purposes whatsoever and shall not constitute preferential transfers, fraudulent conveyances, or other voidable transfers under the Bankruptcy Code or any applicable non-bankruptcy law; and the Reorganized Berry Debtors and the Entities granted such Liens and security interests are authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish, attach, and perfect such Liens and security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign) that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order, and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties;

(e) provide that on the Effective Date, all of the mortgages granted to the prepetition Berry Lenders shall be deemed to be amended and assigned by the Berry Administrative Agent and the Berry Lenders and assumed by the Reorganized Berry Debtors and (a) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Berry Exit Facility Documents, and (b) shall be deemed automatically attached and perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Berry Exit Facility Documents;

(f) provide that, pursuant to section 1146 of the Bankruptcy Code, the assignment or surrender of any lease or sublease, and the delivery of any deed or other instrument or transfer order in furtherance of, or in connection with, any transfers of property pursuant to the Plan, including any deeds, deeds of trust, mortgages, security interest filings, bills of sale, or assignments executed in connection with any disposition or transfer of assets contemplated under the Plan shall not be subject to transfer or recording taxes or fees to the extent permissible under section 1146 of the Bankruptcy Code, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax, recording fee, or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment; and

(g) contain the release, injunction, and exculpation provisions contained in Article VIII herein.

B. Conditions Precedent to the Effective Date.

It shall be a condition to the Effective Date that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.C of the Plan:

1. the Confirmation Order shall have been duly entered and shall be in form and substance reasonably acceptable to the Berry Debtors and the Required Consenting Berry Creditors;

2. the Plan and the applicable documents included in the Plan Supplement, including any exhibits, schedules, documents, amendments, modifications, or supplements thereto, and inclusive of any amendments, modifications, or supplements made after the Confirmation Date but before the Effective Date, shall have been filed and shall be in form and substance reasonably acceptable to the Berry Debtors and the Required Consenting Berry Creditors;

3. the New Organizational Documents, the Berry Backstop Agreement, the Reorganized Berry Registration Rights Agreement, the Berry Exit Facility Documents, the Reorganized Berry Non-Conforming Term Notes Documents, the Berry Registration Rights Agreement, and the Transition Services Agreement shall be in full force and effect (with all conditions precedent thereto having been satisfied or waived) and subject to any post-closing execution and delivery requirements provided for in the Berry Exit Facility Documents and the Reorganized Berry Non-Conforming Term Notes Documents, as applicable;

4. the Berry Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan;

5. all Allowed Professional Fee Claims approved by the Bankruptcy Court shall have been paid in full or amounts sufficient to pay such Allowed Professional Fee Claims after the Effective Date have been placed in the Professional Fee Escrow Account pending approval of the Professional Fee Claims by the Bankruptcy Court;

6. the conditions precedent to the Berry Exit Facility Documents shall have been satisfied or waived in writing by the Required Consenting Berry Lenders;

7. the Berry RSA shall not have been terminated by the Berry Debtors or the Required Consenting Berry Creditors;

8. the Berry Debtors shall have structured the Berry Restructuring Transactions in a manner consistent in all material respects with the Plan and the Berry RSA;

9. the closings under the Berry Backstop Agreement shall have occurred or will be deemed to occur contemporaneously on the Effective Date;

10. the Berry GUC Cash Distribution Pool shall have been established and funded in accordance with the terms of the Plan; and

11. all requisite governmental authorities and third parties shall have approved or consented to the Berry Restructuring Transactions to the extent required.

C. Waiver of Conditions.

The conditions to Confirmation and Consummation set forth in this Article IX may be waived with the reasonable consent of the Required Consenting Berry Creditors and the Berry Debtors, without notice, leave, or order of the Bankruptcy Court or any formal action other than proceedings to confirm or consummate the Plan.

D. Substantial Consummation

"Substantial Consummation" of the Plan, as defined in 11 U.S.C. § 1101(2), with respect to any of the Berry Debtors, shall be deemed to occur on the Effective Date with respect to such Berry Debtor.

E. Effect of Failure of Conditions.

If the Effective Date does not occur with respect to any of the Berry Debtors, the Plan shall be null and void in all respects with respect to such Berry Debtor, and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by or Claims against or Interests in such Berry Debtors; (2) prejudice in any manner the rights of such Berry Debtors, any Holders of a Claim or Interest, or any other Entity; or (3) constitute an admission, acknowledgment, offer, or undertaking by such Berry Debtors, any Holders, or any other Entity in any respect.

ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN

A. Modification and Amendments.

Subject to the limitations contained in the Plan, the Berry Backstop Agreement, and the Berry RSA, the Debtors reserve the right to modify the Plan and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not resolicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, the Berry Backstop Agreement, and the Berry RSA, the Berry Debtors expressly reserve their rights to alter, amend, or modify materially the Plan, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan.

B. Effect of Confirmation on Modifications.

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

C. Revocation or Withdrawal of Plan.

The Debtors reserve the right to revoke or withdraw the Plan before the Confirmation Date, consistent with the Berry Backstop Agreement and the Berry RSA. If the Berry Debtors revoke or withdraw the Plan, or if Confirmation and Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effectuated by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of the Berry Debtors or any other Entity, including the Holders of Claims; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Berry Debtors or any other Entity.

ARTICLE XI.
RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the United States Bankruptcy Court for the Southern District of Texas shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code to the extent provided under applicable law, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. decide and resolve all matters related to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Berry Debtor is party or with respect to which a Berry Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Berry Debtors' amending, modifying, or supplementing, after the Effective Date, pursuant to Article V of the Plan, any Executory Contracts or Unexpired Leases to the Rejected Executory Contracts and Unexpired Lease List, or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;

4. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Berry Debtor that may be pending on the Effective Date;

5. adjudicate, decide, or resolve any and all matters related to Causes of Action;

6. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

7. enter and implement such orders as may be necessary to execute, implement, or consummate the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement, including injunctions or other actions as may be necessary to restrain interference by an Entity with Consummation or enforcement of the Plan;

8. enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

9. adjudicate, decide, or resolve any and all matters related to the Berry Restructuring Transactions;

10. grant any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code;

11. resolve any cases, controversies, suits, disputes, Causes of Action, or any other matters that may arise in connection with the Consummation, interpretation, or enforcement of the Plan, the Disclosure Statement, the Confirmation Order, or the Berry Restructuring Transactions, or any Entity's obligations incurred in connection with the foregoing, including disputes arising under agreements, documents, or instruments executed in connection with the Plan, the Disclosure Statement, the Confirmation Order, or the Berry Restructuring Transactions;

12. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in Article VIII of the Plan and enter such orders as may be necessary to implement such releases, injunctions, and other provisions;

13. resolve any cases, controversies, suits, disputes, or Causes of Action relating to the distribution or the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid pursuant to Article VI.I.1 of the Plan;

14. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by or assess damages against any Entity with Consummation or enforcement of the Plan or the Berry Restructuring Transactions;

15. enter and implement such orders as are necessary if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

16. enter an order or decree concluding or closing the Chapter 11 Cases;

17. adjudicate any and all disputes arising from or relating to distributions under the Plan or any of the transactions contemplated therein;

18. consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

19. determine requests for the payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;

20. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code, including any request made under section 505 of the Bankruptcy Code for the expedited determination of any unpaid liability of a Berry Debtor for any tax incurred during the administration of the Chapter 11 Cases, including any tax liability arising from or relating to the Berry Restructuring Transactions, for tax periods ending after the Petition Date and through the closing of the Chapter 11 Cases;

21. hear and determine all disputes involving the existence, nature, or scope of the release provisions set forth in the Plan, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;

22. hear and determine all disputes involving the obligations or terms of the Berry Exit Facility and the Reorganized Berry Non-Conforming Term Notes;

23. hear and determine all disputes involving the obligations or terms of the Berry Rights Offerings and the Berry Backstop Agreement;

24. hear and determine all disputes involving the obligations or terms of the Transition Services Agreement and the Form Joint Operating Agreement;

25. hear and determine all disputes involving the election by Holders of applicable Allowed Berry Unsecured Notes Claims and Allowed Berry General Unsecured Claims to receive distributions from the Berry GUC Cash Distribution Pool instead of distributions of Reorganized Berry Common Stock;

26. hear and determine all disputes involving the existence, nature, or scope of the release provisions set forth in the Plan, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;

27. except as otherwise limited herein, recover all assets of the Berry Debtors and property of the Estates, wherever located;

28. enforce all orders previously entered by the Bankruptcy Court; and

29. hear any other matter not inconsistent with the Bankruptcy Code.

ARTICLE XII.
MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect.

Subject to Article IX.B of the Plan, as applicable, and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan shall be immediately effective and enforceable and deemed binding upon the Berry Debtors, the Reorganized Berry Debtors, and any and all Holders of Claims or Interests (irrespective of whether such Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, exculpations, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Berry Debtors. All Claims and debts shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any Holder of a Claim or debt has voted on the Plan.

B. Additional Documents.

On or before the Effective Date, the Berry Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or advisable to effectuate and further evidence the terms and conditions of the Plan, consistent with the terms of the Berry RSA. The Berry Debtors or the Reorganized Berry Debtors, as applicable, and all Holders of Claims and Interests receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Dissolution of the Committee.

On the Effective Date, the Committee, as it relates to the Berry Debtors, shall dissolve and all members, employees, or agents thereof shall be released and discharged from all rights and duties arising from or related to the Chapter 11 Cases; *provided*, that such official committee shall be deemed to remain in existence solely with respect to, and shall not be heard on any issue except, applications filed by the Professionals pursuant to sections 330 and 331 of the Bankruptcy Code. The Reorganized Berry Debtors shall not be responsible for paying any fees or expenses incurred by the members of or advisors to the Committee after the Effective Date.

D. Payment of Statutory Fees.

All fees payable pursuant to section 1930(a) of the Judicial Code, including fees and expenses payable to the U.S. Trustee, as determined by the Bankruptcy Court at a hearing pursuant to section 1128 of the Bankruptcy Code, will be paid by each of the applicable Reorganized Berry Debtors for each quarter (including any fraction thereof) until the applicable Chapter 11 Case of such Reorganized Berry Debtors is converted, dismissed, or closed, whichever occurs first. All such fees due and payable prior to the Effective Date shall be paid by the Debtors on the Effective Date. After the Effective Date, the applicable Reorganized Berry Debtor shall pay any and all such fees when due and payable, and shall file with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the U.S. Trustee, until the earliest of the date on which the applicable Chapter 11 Case of the Reorganized Berry Debtors is converted, dismissed, or closed.

E. Reservation of Rights.

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court enters the Confirmation Order. None of the Filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by any Berry Debtor with respect to the Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Berry Debtor or any other Entity with respect to the Holders of Claims or Interests prior to the Effective Date.

F. Successors and Assigns.

The rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor, assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. Notices.

All notices, requests, and demands to or upon the Berry Debtors to be effective shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

1. if to the Berry Debtors, to:

Linn Acquisition Company, LLC
Berry Petroleum Company, LLC
JPMorgan Chase Tower
600 Travis Street
Houston, Texas 77002
Attention: Candice Wells
Email address: cwells@linnenergy.com

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Facsimile: (212) 446-4900
Attention: Paul M. Basta, P.C., Stephen E. Hessler, P.C. and Brian Lennon, Esq.
E-mail addresses: paul.basta@kirkland.com, stephen.hessler@kirkland.com, brian.lennon@kirkland.com

–and–

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Facsimile: (312) 862-2200
Attention: James H.M. Sprayregen, P.C., Joseph M. Graham, Esq., and Alexandra Schwarzman, Esq.
E-mail addresses: james.sprayregen@kirkland.com, joe.graham@kirkland.com, alexandra.schwarzman@kirkland.com

–and–

Munger, Tolles & Olson LLP
Thomas B. Walper (*admitted pro hac vice)*
Seth Goldman (*admitted pro hac vice)*
355 South Grand Avenue
Los Angeles, CA 90071
E-mail addresses: thomas.walper@mto.com, seth.goldman@mto.com

2. if to the Berry Administrative Agent, to:

Wells Fargo Bank, N.A.
1000 Louisiana Street, 9th Floor
Houston, Texas 77002
Attention: Patrick Fults
E-mail address: patrick.j.fults@wellsfargo.com

with copies (which shall not constitute notice) to:

Baker & McKenzie LLP
452 Fifth Avenue
New York, NY 10018
Attention: James Donnell, Esq.
E-mail address: james.donnell@bakermckenzie.com

–and–

Baker & McKenzie LLP
300 East Randolph Street
Chicago, IL 60601
Attention: Garry Jaunal, Esq.
E-mail address: garry.jaunal@bakermckenzie.com

3. if to the Reorganized Berry Debtors, the Ad Hoc Group of Berry Unsecured Noteholders, the Berry Backstop Parties, or the Required Consenting Berry Noteholders, to:

Quinn Emanuel Urquhart & Sullivan LLP
51 Madison Avenue, 22nd Floor
New York, NY 10010
Attn: Benjamin Finestone, Esq., K. John Shaffer, Esq., Daniel Holzman, Esq.
E-mail addresses: benjaminfinestone@quinnemanuel.com, johnshaffer@quinnemanuel.com, danielholzman@quinnemanuel.com

Norton Rose Fulbright US LLP
1301 McKinney, Suite 5100
Houston, TX 77010

Attn: William Greendyke, Esq., Glen Hettinger, Esq.
E-mail addresses: william.greendyke@nortonrosefulbright.com,
glen.hettinger@nortonrosefulbright.com

4. if to the Berry Unsecured Notes Trustee, to:

Morgan, Lewis & Bockius LLP
101 Park Avenue
New York, New York 10128
Attention: Glenn E. Siegel, Rachel Jaffe Maurceri
E-mail addresses: glenn.siegel@morganlewis.com, rachel.mauceri@morganlewis.com

5. if to the Committee, to:

Ropes & Gray LLP
1211 Avenue of the Americas
New York, New York 10036
Attention: Keith Wofford, Mark Bane, James Wright, Brian Rooder
E-mail addresses: Keith.Wofford@ropesgray.com, mark.bane@ropesgray.com,
James.Wright@ropesgray.com, Brian.Rooder@ropesgray.com

After the Effective Date, the Reorganized Berry Debtors shall have the authority to send a notice to Entities that to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entity must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Reorganized Berry Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. Term of Injunctions or Stays.

Unless otherwise provided in the Plan or the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

I. Entire Agreement.

Except as otherwise indicated, the Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

J. Exhibits.

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Berry Debtors' counsel at the address above or by downloading such exhibits and documents from the Berry Debtors' restructuring website at https://cases.primeclerk.com/linn/Home-Index or the Bankruptcy Court's website at http://www.txs.uscourts.gov/bankruptcy.

K. Nonseverability of Plan Provisions.

If, before Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or

interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the Berry Debtors' or Reorganized Berry Debtors' consent; *provided*, that any such deletion or modification must be consistent with the Berry RSA, Berry Exit Facility Documents, and Berry Backstop Agreement, as applicable; and (3) nonseverable and mutually dependent.

L. Votes Solicited in Good Faith.

Upon entry of the Confirmation Order, the Berry Debtors and Reorganized Berry will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Berry Debtors, the Reorganized Berry Debtors, and each of their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, managers, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan and any previous plan, and, therefore, neither any of such parties or individuals or the Reorganized Berry Debtors or the Reorganized Berry Debtors will have any liability for the violation of any applicable law (including the Securities Act), rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan and any previous plan.

M. Waiver or Estoppel.

Each Holder of a Claim or Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority, Secured or not subordinated by virtue of an agreement made with the Berry Debtors or their counsel, or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers Filed before the Confirmation Date.

N. Closing of Chapter 11 Cases

The Reorganized Berry Debtors shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases; *provided* that the Reorganized Berry Debtors may, in their discretion, close certain of the Chapter 11 Cases while allowing other Chapter 11 Cases to continue for the purposes of making distributions on account of Claims or administering to Claims as set forth in this Plan, or for any other provision set forth in this Plan.

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Dated: January 25, 2017

Respectfully submitted,

By: */s/ David B. Rottino*
Name: David B. Rottino
Title: Executive Vice President, Chief Financial Officer, and Manager of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC

Prepared by:

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(213) 683-9100 (telephone)

Counsel to the Berry Debtors and Berry Debtors in Possession

Exhibit 3.1

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
BERRY PETROLEUM CORPORATION

It is hereby certified that:

1. The name of the corporation is Berry Petroleum Corporation (the "Corporation")

2. The date of filing of its original Certificate of Incorporation with the Secretary of State of the State of Delaware was February 13, 2017.

3. On May 11, 2016, Linn Acquisition Company, LLC, Berry Petroleum Company, LLC and certain of their debtor affiliates filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas, Victoria Division (the "Bankruptcy Court"). On December 21, 2016, Linn Acquisition Company, LLC and Berry Petroleum Company, LLC filed that certain Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC (as amended or supplemented from time to time, the "Plan"), which was confirmed on January 27, 2017 by order of the Bankruptcy Court (the "Order"). The Plan, as confirmed by the Order, provides for the Certificate of Incorporation of the Corporation to be amended and restated in its entirety to read as set forth in this Amended and Restated Certificate of Incorporation.

4. This Amended and Restated Certificate of Incorporation has been duly adopted in accordance with Sections 245 and 303 of the General Corporation Law of the State of Delaware (the "DGCL"), pursuant to the authority granted to the Corporation under Section 303 of the DGCL to put into effect and carry out the Plan, as confirmed by the Order.

5. This Amended and Restated Certificate of Incorporation has been duly executed and acknowledged by an officer of the Corporation designated by the Order in accordance with the provisions of Sections 245 and 303 of the DGCL.

6. The effective date of this Amended and Restated Certificate of Incorporation shall be the date it is filed with the Secretary of State of the State of Delaware.

7. The Certificate of Incorporation of the Corporation, as currently in effect, is hereby amended and restated in its entirety to read as follows:

ARTICLE I
NAME

The name of the corporation is Berry Petroleum Corporation (the "Corporation").

ARTICLE II
REGISTERED OFFICE

The address of the registered office of the Corporation in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, Delaware 19801, in the County of New Castle. The name of the registered agent of the Corporation at that address is The Corporation Trust Company.

ARTICLE III
CORPORATE PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the DGCL.

ARTICLE IV
AUTHORIZED CAPITAL STOCK

(1) Authorized Capital Stock. The total number of shares of all classes of stock which the Corporation shall have authority to issue is 1,000,000,000 shares, consisting of 750,000,000 shares of Common Stock, par value $0.001 per share (the "Common Stock"), and 250,000,000 shares of Preferred Stock, par value $0.001 per share (the "Preferred Stock"). Except as otherwise provided by law and this Amended and Restated Certificate of Incorporation, the shares of capital stock of the Corporation, regardless of class or series, may be issued by the Corporation from time to time in such amounts, for such lawful consideration and for such corporate purpose(s) as the board of directors of the Corporation (the "Board of Directors") may from time to time determine.

(2) Common Stock. Except as otherwise required by the DGCL or as provided by or pursuant to the provisions of this Amended and Restated Certificate of Incorporation of the Corporation (this "Certificate of Incorporation"), each holder of Common Stock shall be entitled to one vote for each share of Common Stock held of record by such holder. The holders of shares of Common Stock shall not have cumulative voting rights.

(3) Preferred Stock.

(a) The Board of Directors, or any authorized committee thereof, is authorized, subject to any limitations prescribed by law, to provide for the issuance of shares of Preferred Stock in series, and by filing a certificate pursuant to the applicable law of the State of Delaware (such certificate being hereinafter referred to as a "Preferred Stock Designation"), to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences, and rights of the shares of each such series and any qualifications, limitations or restrictions thereof. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of all of the then-outstanding shares of capital stock of the Corporation entitled to vote thereon, without a vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to the terms of any Preferred Stock Designation.

(b) There shall be no limitation or restriction on any variation between any of the different series of Preferred Stock as to the designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof; and the several series of Preferred Stock may, except as otherwise expressly provided in this Article, vary in any and all respects as fixed and determined by the resolution or resolutions of the Board of Directors, providing for the issuance of the various series; provided, however, that all shares of any one series of Preferred Stock shall have the same designation, preferences and relative, participating, optional or other special rights and qualifications, limitations and restrictions.

(4) Non-voting Equity Securities. The Corporation shall not issue any non-voting equity securities to the extent prohibited by Section 1123(a)(6) of the Bankruptcy Code as in effect on the date of filing of this Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware; provided, however, that the foregoing restriction (i) shall have such force and effect only for so long as Section 1123 of the Bankruptcy Code is in effect and applicable to the Corporation, (ii) shall not have any further force or effect beyond that required under Section 1123(a)(6), and (iii) may be amended or eliminated in accordance with applicable law as from time to time may be in effect.

ARTICLE V
STOCKHOLDER ACTION BY WRITTEN CONSENT

Any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation in accordance with Section 228 of the DGCL.

ARTICLE VI
CORPORATE GOVERNANCE

The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and stockholders:

(a) The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by statute or by this Amended and Restated Certificate of Incorporation or the bylaws of the Corporation then in effect, the Board of Directors is hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the DGCL, this Amended and Restated Certificate of Incorporation, and the bylaws of the Corporation.

(b) The directors of the Corporation need not be stockholders of the Corporation, and need not be elected by written ballot unless the bylaws of the Corporation so provide.

(c) Special meetings of the stockholders, other than those required by statute, may be called as set forth in the bylaws of the Corporation and may be called upon the written request to the Secretary by one or more stockholders holding, in the aggregate, at least 25% of the voting power of the shares entitled to vote in the election of directors of the Corporation. Any such written request shall specify the time of such meeting and the general nature of the business proposed to be transacted and shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation, and the Secretary shall, promptly following his or her receipt of such request, cause notice of such meeting to be given in accordance with the bylaws of the Corporation to each of the stockholders entitled to vote at such meeting.

(d) An annual meeting of stockholders, for the election of directors and for the transaction of such other business as may properly come before the meeting, shall be held at such place, on such date, and at such time as the Board of Directors shall fix.

ARTICLE VII
BOARD OF DIRECTORS

(1) The Board of Directors shall consist of one or more directors, and shall initially comprise five directors. The initial Board of Directors shall consist of two vacancies and the following three individuals: Brent Buckley; Kaj Vazales; and Arthur Tremaine Smith. The directors shall be of one class and each director shall serve until his or her successor shall have been duly elected and qualified or, if earlier, until his or her death, resignation or removal. At each annual meeting of stockholders, (i) directors shall be elected for a term of office to expire at the succeeding annual meeting of stockholders, with each director to hold office until his or her successor shall have been duly elected and qualified or, if earlier, until his or her death, resignation or removal; and (ii) directors may be elected to fill any vacancy on the Board of Directors, regardless of how such vacancy shall have been created.

(2) Notwithstanding anything contained in this Amended and Restated Certificate of Incorporation or the bylaws of the Corporation, the third annual meeting of stockholders shall not occur prior to February 28, 2020 (the date of such third annual meeting, the "Third Election"). At all times prior to the Third Election, (i) the total number of authorized directorships that comprise the Whole Board (as defined below) shall be five and (ii) no director may be removed, with or without cause, without the affirmative vote or written consent of the holders of at least 75% of the voting power of the shares entitled to vote generally in the election of directors of the Corporation. After the Third Election, the number of directors that comprise the Whole Board (as defined below) shall be fixed from time to time exclusively by the Board of Directors as provided in the Bylaws. As used herein, "Whole Board" shall mean, at any given time, the total number of directorships then authorized, whether or not any vacancies exist with respect to such directorships.

(3) Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the bylaws of the Corporation.

(4) Except as otherwise required by applicable law and as provided above prior to the Third Election, and subject to the rights of the holders of any series of Preferred Stock then outstanding, any one or more of the directors may be removed from office, with or without cause, by the affirmative vote or written consent of holders of a majority of the voting power of the shares entitled to vote generally in the election of directors of the Corporation, voting together as a single class.

ARTICLE VIII
BYLAW AMENDMENTS

The Board of Directors is expressly authorized to adopt, amend and repeal the bylaws of the Corporation; *provided*, that any adoption, amendment or repeal of the bylaws of the Corporation by the Board of Directors (i) shall require the approval of a majority of the Whole Board and (ii) shall be subject to such additional restrictions (which may include, without limitation, majority or supermajority stockholder approval to amend or repeal specifically enumerated provisions), if any, as are set forth in the bylaws of the Corporation as in effect at such time; *provided further*, that if the stockholders in amending, repealing, or adopting a bylaw expressly provide that the Board of Directors may not amend, repeal or reinstate that bylaw, the Board of Directors may not amend, repeal or reinstate that bylaw. The stockholders shall also have power to adopt, amend or repeal the bylaws of the Corporation, by the affirmative vote of the holders of at least a majority of the voting power of all of the then-outstanding shares of capital stock entitled to vote generally in the election of directors of the Corporation, voting together as a single class, *provided*, that any such adoption, amendment or repeal shall be subject to such additional restrictions (which may include, without limitation, supermajority stockholder approval to amend or repeal specifically enumerated provisions) if any, as are set forth in the bylaws of the Corporation as in effect at such time.

ARTICLE IX
LIMITATION ON DIRECTOR LIABILITY

A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director’s duty of loyalty to the Corporation or its stockholders, (ii) for any act or omission not in good faith or which involves intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. If the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. In the event that it is determined that Delaware law does not apply, the liability of a director of the Corporation to the company or its stockholders for monetary damages shall be eliminated to the fullest extent permissible under applicable law. Any repeal or modification of the foregoing paragraph shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

ARTICLE X
INDEMNIFICATION OF DIRECTORS AND OFFICERS

(1) Generally. Each person who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, manager, employee or agent of another corporation or of a limited liability company, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans (hereinafter, a "Covered Person"), whether the basis of such proceeding is alleged action or inaction in an official capacity or in any other capacity while serving as director, officer, manager, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent permitted by the DGCL, as amended from time to time (but in the case of any such amendment, to the fullest extent permitted by law, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all costs, charges, expenses, liabilities and losses (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such Covered Person in connection therewith, and that indemnification shall continue as to a Covered Person who has ceased to be a director, officer, manager, employee or agent and shall inure to the benefit of his or her heirs, executors, administrators and personal and legal representatives; provided, however, that, except as provided in paragraph (3) of this Article, the Corporation shall indemnify any such Covered Person seeking indemnification in connection with a proceeding (or part thereof) initiated by that Covered Person, only if that proceeding (or part thereof) was authorized by the Board of Directors. The right to indemnification conferred in this Article shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the DGCL, as amended from time to time, requires, the payment of such expenses incurred by a director or officer in his capacity as a director or officer in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced, if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Article or otherwise. No director or officer will be required to post any bond or provide any other security with respect to any such undertaking.

(2) Primary Indemnitor. The Corporation hereby acknowledges that certain Covered Persons may have rights to indemnification and advancement of expenses (directly or through insurance obtained by any such entity) provided by one or more third parties (collectively, the "Other Indemnitors"), and which may include third parties for whom such Covered Person serves as a manager, member, officer, employee or agent. The Corporation hereby agrees and acknowledges that notwithstanding any such rights that a Covered Person may have with respect to any Other Indemnitor(s), (i) the Corporation is the indemnitor of first resort with respect to all Covered Persons and all obligations to indemnify and provide advancement of expenses to Covered Persons, (ii) the Corporation shall be required to indemnify and advance the full amount of expenses incurred by the Covered Persons, to the fullest extent required by law, the terms of this Amended and Restated Certificate of Incorporation, the Bylaws, any agreement to which the

Corporation is a party, any vote of the stockholders or the Board of Directors, or otherwise, without regard to any rights the Covered Persons may have against the Other Indemnitors and (iii) to the fullest extent permitted by law, the Corporation irrevocably waives, relinquishes and releases the Other Indemnitors from any and all claims for contribution, subrogation or any other recovery of any kind in respect thereof. The Corporation further agrees that no advancement or payment by the Other Indemnitors with respect to any claim for which the Covered Persons have sought indemnification from the Corporation shall affect the foregoing and the Other Indemnitors shall have a right of contribution and/or be subrogated to the extent of any such advancement or payment to all of the rights of recovery of the Covered Persons against the Corporation. These rights shall be a contract right, and the Other Indemnitors are express third party beneficiaries of the terms of this paragraph.

(3) Right of Claimant to Bring Suit. If a claim under this Article is not paid in full by the Corporation within 30 days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant also shall be entitled to be paid the expense of prosecuting that claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the required undertaking, if any, is required and has been tendered to the Corporation) that the claimant has failed to meet a standard of conduct that makes it permissible under Delaware law for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, its independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is permissible in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its Board of Directors, its independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(4) Non-Exclusivity of Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right that any person may have or hereafter acquire under any statute, provision of this Amended and Restated Certificate of Incorporation, the bylaws of the Corporation, any agreement to which the Corporation is a party, any vote of the stockholders or the Board of Directors or otherwise.

(5) Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, manager, employee or agent of the Corporation or another corporation, limited liability company, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against that expense, liability or loss under Delaware law.

(6) Expenses as a Witness. To the extent any director, officer, manager, employee or agent of the Corporation is by reason of such position, or a position with another entity at the request of the Corporation, a witness in any action, suit or proceeding, he or she shall be indemnified against all costs and expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

(7) Indemnification of Employees and Agents. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, and rights to be paid by the Corporation the expenses incurred in defending any proceeding in advance of its final disposition, to any employee or agent of the Corporation to the fullest extent of the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

(8) Severability. If any provision or provisions of this Article shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions of this Article (including, without limitation, each portion of any paragraph of this Article containing any such provision held to be invalid, illegal or unenforceable, that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of this Article (including, without limitation, each such portion of any paragraph of this Article containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

(9) Nature of Rights; Amendments to this Article. The rights conferred upon indemnitees in this Article shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director, officer or trustee and shall inure to the benefit of the indemnitee's heirs, executors and administrators. Any repeal, amendment or modification of this Article or any of the provisions hereof shall not adversely affect any rights to indemnification and to the advancement of expenses of a director or officer of the Corporation existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

ARTICLE XI
BUSINESS OPPORTUNITIES

To the fullest extent permitted by Section 122(17) of the DGCL (or any successor provision) and except as may be otherwise expressly agreed in writing by the Corporation and any Dual Role Person (as defined below), the Corporation, on behalf of itself and its subsidiaries, renounces and waives any interest or expectancy of the Corporation and its subsidiaries in, or in being offered an opportunity to participate in, directly or indirectly, any potential transactions, matters or business opportunities (including, without limitation, any business activities or lines of business that are the same as or similar to those pursued by, or competitive with, the Corporation or any of its subsidiaries or any dealings with customers or clients of the Corporation or any of its subsidiaries) that are from time to time presented to any Dual Role Person, even if the transaction, matter or opportunity is one that the Corporation or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and no such person shall be liable to the Corporation or any of its subsidiaries or affiliates for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such person pursues, acquires or participates in such business opportunity, directs such

business opportunity to another person or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation or its subsidiaries. Without limiting the foregoing renunciation, the Corporation acknowledges that certain of the stockholders are in the business of making investments in, and have investments in, other businesses similar to and that may compete with the Corporation's businesses ("Competing Businesses"), and agrees that each such stockholder shall have the right to make additional investments in or have relationships with other Competing Businesses independent of its investment in the Corporation. Any person purchasing or otherwise acquiring any interest in any shares of stock of the Corporation shall be deemed to have notice of and consented to the provisions of this paragraph. Neither the alteration, amendment or repeal of this paragraph, nor the adoption of any provision of this Amended and Restated Certificate of Incorporation inconsistent with this paragraph, nor, to the fullest extent permitted by Delaware law, any modification of law, shall eliminate or reduce the effect of this paragraph in respect of any business opportunity first identified or any other matter occurring, or any cause of action, suit or claim that, but for this paragraph, would accrue or arise, prior to such alteration, amendment, repeal, adoption or modification. If any provision or provisions of this paragraph shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this paragraph (including, without limitation, each portion of any paragraph of this paragraph containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this paragraph (including, without limitation, each such portion of any paragraph of this paragraph containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law. This paragraph shall not limit any protections or defenses available to, or indemnification or advancement rights of, any director or officer of the Corporation under this Amended and Restated Certificate of Incorporation, the bylaws of the Corporation, or applicable law. As used herein, "Dual Role Person" shall mean any individual who is a director of the Corporation and is otherwise an employee, officer or a director of a stockholder.

ARTICLE XII
EXCLUSIVE FORUM

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (the "Court of Chancery") shall be the sole and exclusive forum for any stockholder of the Corporation (including a beneficial owner of stock) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the DGCL or this Amended and Restated Certificate of Incorporation or the bylaws of the Corporation, or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except as to each of (i) through (iv) above, for any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the

indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article (including, without limitation, each portion of any sentence of this Article containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

ARTICLE XIII
AMENDMENTS

Except as expressly provided in this Amended and Restated Certificate of Incorporation, the Corporation reserves the right to amend or repeal any provision contained in this Amended and Restated Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware and all rights conferred upon stockholders are granted subject to this reservation.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Corporation has caused this Amended and Restated Certificate of Incorporation to be signed as of February 28, 2017.

BERRY PETROLEUM CORPORATION

/s/ Arthur T. Smith
Name: Arthur T. Smith
Title: Chief Executive Officer

[*Signature Page to Amended and Restated Certificate of Incorporation*]

Exhibit 3.2

AMENDED AND RESTATED BYLAWS
OF
BERRY PETROLEUM CORPORATION

ARTICLE I - STOCKHOLDERS

Section 1. Annual Meeting.

(1) An annual meeting of the Stockholders (as defined below), for the election of directors and for the transaction of such other business as may properly come before the meeting, shall be held at such place, on such date, and at such time as the Board of Directors (as defined below) shall fix.

(2) Nominations of persons for election to the Board of Directors and proposals of business to be transacted by the stockholders may be made at an annual meeting of stockholders (a) pursuant to the Corporation's proxy materials with respect to such meeting, (b) by or at the direction of the Board of Directors, or (c) by any stockholder of record of the Corporation (the "Record Stockholder") at the time of the giving of the Record Stockholder Notice (as defined below), who is entitled to vote at the meeting and who has complied with the notice procedures set forth in this Section 1 of Article I. For the avoidance of doubt, the foregoing clause (c) shall be the exclusive means for a stockholder to make nominations or propose business at an annual meeting of stockholders, other than, to the extent the Corporation is then subject to such Rule, business included in the Corporation's proxy materials pursuant to Rule 14a-8 under Securities Exchange Act of 1934, as amended (such act, and the rules and regulations promulgated thereunder, the "Exchange Act").

(3) For nominations of directors or proposals of business to be properly brought before an annual meeting by a Record Stockholder pursuant to clause (c) of the immediately preceding paragraph, (a) the Record Stockholder must have given timely notice thereof in writing ("Record Stockholder Notice") to the Secretary of the Corporation (the "Secretary") and (b) any such business must be a proper matter for stockholder action under Delaware law. To be timely, a Record Stockholder's notice shall be received by the Secretary at the principal executive offices of the Corporation not less than 45 nor more than 75 days prior to the one-year anniversary of the date on which the Corporation first mailed its proxy materials for the preceding year's annual meeting of stockholders; *provided*, *however*, that, (i) subject to the last sentence of this Section 1(3) of Article I, if the meeting is convened more than 30 days prior to or delayed by more than 30 days after the one-year anniversary of the preceding year's annual meeting, or if no annual meeting was held during the preceding year, notice by the Record Stockholder to be timely must be so received not later than the close of business on the later of (A) the 45th day before such annual meeting or (B) the 10th day following the date on which public announcement of the date of such meeting is first made and (ii) in the event that the number of directors to be elected to the Board of Directors is increased and a public announcement naming all of the nominees for director or indicating the increase in the size of the Board of Directors is not made by the Corporation at least 10 days before the last day a Record Stockholder may timely deliver a notice of nomination in accordance with the foregoing provisions of this paragraph, a Record Stockholder Notice shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it is received by

the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the date on which such public announcement is first made by the Corporation. Notwithstanding anything to the contrary in these Amended and Restated Bylaws of the Corporation (these "Bylaws"), for the first annual meeting of the stockholders after the effective date of these Bylaws, to be timely, a Record Stockholder Notice shall be delivered to the Secretary at the principal executive offices of the Corporation no earlier than the close of business on the 75th day prior to the scheduled date of such annual meeting and not later than the close of business on the later of the date that is 45 days prior to the scheduled date of such annual meeting or 10 days following the date on which public announcement of the date of such meeting is first made by the Corporation. In no event shall an adjournment, or postponement of an annual meeting for which notice has been given, commence a new time period for the giving of a Record Stockholder Notice.

(4) Any Record Stockholder Notice shall set forth the following information:

a. if such notice pertains to the nomination of directors, as to each person whom the Record Stockholder proposes to nominate for election or reelection as a director, all information relating to such person as would be required to be disclosed in a solicitation of proxies for the election of such nominee as a director pursuant to Regulation 14A under the Exchange Act, and such person's written consent to serve as a nominee and to serve as a director if elected;

b. with respect to any other business that the Record Stockholder proposes to bring before the meeting, a brief description of such business, the reasons for conducting such business at the meeting, and any material interest that such Record Stockholder (and, if applicable, the beneficial owner on whose behalf the proposal is made) has in such business; and

c. with respect to the Record Stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (each, a "party"):

(i) the name and address of each such party;

(ii) (A) the class, series, and number of shares of the Corporation that are owned, directly or indirectly, beneficially and of record by each such party, (B) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise (a "Derivative Instrument") directly or indirectly owned beneficially by each such party, and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation, (C) any proxy, contract, arrangement, understanding, or relationship pursuant to which each such party has a right to vote, directly or indirectly, any shares of any security of the Corporation, (D) any short interest in any security of the Corporation held by each such party (for purposes hereof, a person shall be deemed to have a short interest in a security if such person directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or

share in any profit derived from any decrease in the value of the subject security), (E) any rights to dividends on the shares of the Corporation owned beneficially directly or indirectly by each such party that are separated or separable from the underlying shares of the Corporation, (F) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which each such party is a general partner or, directly or indirectly, beneficially owns an interest in a general partner and (G) any performance-related fees (other than an asset-based fee) that each such party is directly or indirectly entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice, and each such party shall supplement the information provided pursuant to the foregoing clauses (A) through (G), to the extent necessary, by the earlier of the 10th day after the record date for determining the Stockholders entitled to vote at the meeting and the day prior to the meeting; and

(iii) any other information relating to each such party that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or the election of directors in a contested election pursuant to Section 14 of the Exchange Act.

(5) A person shall not be eligible for election or re-election as a director at an annual meeting unless (i) the person is nominated by a Record Stockholder in accordance with Section 1(2)(c) of this Article I or (ii) the person is nominated by or at the direction of the Board of Directors. Only such business shall be conducted at an annual meeting of Stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this section. The chairman of the meeting shall have the power and the duty to determine whether a nomination or any business proposed to be brought before the meeting has been made in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, to declare that such defectively proposed business or nomination shall not be presented for Stockholder action at the meeting and shall be disregarded.

(6) As used in these Bylaws, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

(7) Notwithstanding the foregoing provisions of this Section 1 of Article I, a Stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to matters set forth in this Section 1 of Article I. Nothing in this Section 1 of Article I shall be deemed to affect any rights of Stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act, to the extent applicable.

Section 2. Special Meetings.

(1) Special meetings of the Stockholders, other than those required by statute, may be called at any time pursuant to a resolution adopted by the Board of Directors, or upon the written request to the Secretary by one or more Stockholders holding, in the aggregate, at least 25% of

the voting power of the shares entitled to vote in the election of directors of the Corporation. Any such written request shall specify the time of such meeting and the general nature of the business proposed to be transacted and shall be delivered to the Secretary at the principal executive offices of the Corporation, and the Secretary shall, promptly following his or her receipt of such request, cause notice of such meeting to be given in accordance with these Bylaws to each of the Stockholders entitled to vote at such meeting. The Board of Directors may postpone or reschedule any previously scheduled special meeting called by the Board of Directors.

(2) The notice of a special meeting shall include the purpose for which such meeting is called. Only such business shall be conducted at a special meeting of Stockholders as shall have been specified in the notice of such special meeting (or any supplement thereto).

(3) Nominations of persons for election to the Board of Directors may be made at a special meeting of Stockholders at which directors are to be elected, as follows: (a) by or at the direction of the Board of Directors or by any Stockholder of record of the Corporation who is entitled to vote at such meeting and delivers (while it is a Record Stockholder) a written notice to the Secretary setting forth the information required by Sections (4)(a) and (4)(c) of Article I. Nominations by Stockholders of persons for election to the Board of Directors may be made at such meeting only if the Record Stockholder's notice required by the immediately preceding sentence is received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the later of the 45th day prior to such special meeting and the 10th day following the date on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall an adjournment, or postponement of a special meeting for which notice has been given, commence a new time period for the giving of a Record Stockholder's notice. A person shall not be eligible for election or reelection as a director at a special meeting of Stockholders unless the person is nominated in accordance with this paragraph. Notwithstanding anything in this Section 2(3) of Article I or otherwise in these Bylaws to the contrary, this Section 2(3) of Article I shall not apply to any special meetings of the Stockholders called at the request of Stockholders to the extent permitted Section 2(1) of Article I.

(4) Notwithstanding the foregoing provisions of this Section 2 of Article I, a Stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to matters set forth in this Section 2 of Article I. Nothing in this Section 2 shall be deemed to affect any rights of Stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act, if the Corporation is then subject to such Rule.

Section 3. Notice of Meetings; Adjournment.

(1) Notice of the place, date, and time of all meetings of the Stockholders, the means of remote communications, if any, by which Stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and the record date for determining the Stockholders entitled to vote at the meeting, if such date is different from the record date for determining Stockholders entitled to notice of the meeting, shall be given, not less than 10 days nor more than 60 days before the date on which the meeting is to be held, to each Stockholder entitled to vote at such meeting as of the record date for determining the Stockholders entitled to notice of the meeting, except as otherwise provided herein or required by law.

(2) Any meeting of stockholders, whether annual or special, may be adjourned from time to time for any reason by either the chairman of the meeting, or by the vote of the holders of a majority in voting power of the shares present in person or represented by proxy and entitled to vote thereon, whether or not a quorum is present. When a meeting of stockholders is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting and the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for determining stockholders entitled to notice of the meeting) are announced at the meeting at which the adjournment is taken; *provided*, *however*, that if the date of any adjourned meeting is more than 30 days after the date for which the meeting was originally noticed, notice of the adjourned meeting shall be given to each stockholder in conformity herewith. If after the adjournment a new record date for stockholders entitled to vote at such meeting is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors and, except as otherwise required by law, shall not be less than 10 nor more than 60 days before the date of such adjourned meeting, and shall give notice of the adjourned meeting to each Record Stockholder entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

Section 4. Quorum.

(1) At any meeting of the Stockholders, the holders of a majority of the voting power of all of the shares of the stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law or by the rules of any stock exchange upon which the Corporation's securities are listed. Where a separate vote by a class or classes or series is required, a majority of the voting power of the shares of such class or classes or series present in person or represented by proxy shall constitute a quorum entitled to take action with respect to that vote on that matter.

(2) If a quorum shall not be present or represented at any meeting of the stockholders, the chairman of the meeting or the stockholders entitled to vote thereon, by a majority in voting power thereof, present in person or represented by proxy, may adjourn the meeting in the manner provided in Section 3 of Article I hereof, until a quorum shall be present or represented. A quorum, once established, shall not be broken by the withdrawal of enough stockholders to leave less than a quorum.

Section 5. Organization. Such person as the Board of Directors may have designated or, in the absence of such a person, the Chairman of the Board or, in his or her absence, the Chief Executive Officer of the Corporation or, in his or her absence, such person as may be chosen by the holders of a majority of the voting power of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the Stockholders and act as chairman of the meeting. In the absence of the Secretary, the secretary of the meeting shall be such person as the chairman of the meeting appoints.

Section 6. Conduct of Business. The chairman of any meeting of Stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seem to him or her in order. The date and time of the opening and closing of the polls for each matter upon which the Stockholders will vote at the meeting shall be announced at the meeting.

Section 7. Proxies and Voting.

(1) At any meeting of the Stockholders, every Stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to this paragraph may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, *provided*, that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

(2) The Corporation may, and to the extent required by law, shall, in advance of any meeting of Stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of Stockholders, the person presiding at the meeting may, and to the extent required by law, shall, appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. Every vote taken by ballots shall be counted by a duly appointed inspector or inspectors.

(3) All elections of directors of the Corporation shall be determined by a plurality of the votes cast, and except as otherwise required by law or the rules of any stock exchange upon which the Corporation's securities are listed or as otherwise provided in these Bylaws or the Certificate of Incorporation, all other matters shall be determined by a majority of the votes cast affirmatively or negatively, on such matter.

Section 8. Stockholder List.

(1) The officer who has charge of the stock ledger of the Corporation shall, at least 10 days before every meeting of Stockholders, prepare and make a complete list of Stockholders entitled to vote at any meeting of Stockholders, *provided*, *however*, if the record date for determining the Stockholders entitled to vote is less than 10 days before the meeting date, the list shall reflect the Stockholders entitled to vote as of the 10th day before the meeting date, arranged in alphabetical order and showing the address of each such Stockholder and the number of shares registered in his or her name. Such list shall be open to the examination of any Stockholder for a period of at least 10 days prior to the meeting in the manner provided by law.

(2) A stock list shall also be open to the examination of any Stockholder during the whole time of the meeting as provided by law. This list shall presumptively determine (a) the identity of the Stockholders entitled to examine such stock list and to vote at the meeting and (b) the number of shares held by each of them.

ARTICLE II - BOARD OF DIRECTORS AND GOVERNANCE

Section 1. Number, Election and Term of Directors. Subject to the rights of the holders of any series of preferred stock of the Corporation to elect additional directors under specified circumstances and except as provided otherwise in the Certificate of Incorporation, the total authorized number of directors shall be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the Whole Board (as defined below). The directors, other than those who may be elected by the holders of any series of preferred stock under specified circumstances, shall be of one class and each director shall serve until his or her successor shall have been duly elected and qualified or, if earlier, until his or her death, resignation or removal. As used in these Bylaws, "Whole Board" shall mean, at any given time, the total number of directorships then authorized, whether or not any vacancies exist with respect to such directorships.

Section 2. Newly Created Directorships and Vacancies. Subject to the rights of the holders of any series of preferred stock of the Corporation then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, disqualification, removal from office or other cause may be filled (a) by the Stockholders at a special meeting or an annual meeting, or by the written consent of holders of a majority of the voting power of the shares entitled to vote in connection with the election of the directors of the Corporation, voting together as a single class, or (b) by a majority vote of the directors then in office, though less than a quorum, or by a sole remaining director. Any director elected in accordance with this Section 2 of Article II shall hold office for the remainder of the term of the director for whom the vacancy was created or occurred and until such director's successor shall have been duly elected and qualified or, if earlier, such director's death, resignation or removal. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

Section 3. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place or places, on such date or dates, and at such time or times as shall have been established by the Board of Directors and publicized among all directors. A notice of each regular meeting shall not be required.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board or the Chief Executive Officer, or by any two or more directors and shall be held on such date and at such place and time as the person(s) calling such meeting shall fix. At least 24 hours' notice of the place, date, and time of each such special meeting shall be given to each director by whom it is not waived and such notice will be effective (i) when received if given in a writing delivered by hand or courier, (ii) when given, if by telephone or in person, or (iii) when transmitted with transmission confirmed, if sent by e-mail or by facsimile to the director's residence or usual place of business, to an email address or facsimile number, as applicable to which the director has expressly consented to receive notice. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 5. Quorum. A majority of the Whole Board shall constitute a quorum for all purposes at any meeting of the Board of Directors (unless the Certificate of Incorporation provides for a vote on a particular matter by the Disinterested Directors (as defined in Section 6 of Article VIII), in which case a majority of the Disinterested Directors shall constitute a quorum for such matter). If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, date, or time, without further notice or waiver thereof.

Section 6. Participation in Meetings by Conference Telephone. Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board of Directors or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other and such participation shall constitute presence in person at such meeting.

Section 7. Conduct of Business. At any meeting of the Board of Directors, business shall be transacted in such order and manner as the Board of Directors may from time to time determine, and, except as otherwise expressly required by law or the Certificate of Incorporation, all matters shall be determined by the affirmative vote of a majority of the directors present at any meeting at which a quorum is present. Action may be taken by the Board of Directors without a meeting if all members thereof consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 8. Resignations and Removal of Directors. Any director of the Corporation may resign from the Board of Directors or any committee thereof at any time, by giving notice in writing to the Chairman of the Board, if there be one, or the Chief Executive Officer or the Secretary and, in the case of a committee, to the chairman of such committee, if there be one. Such resignation shall take effect at the time therein specified or, if no time is specified, immediately; and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective. Except as otherwise required by applicable law and subject to the rights of the holders of any series of preferred stock of the Corporation then outstanding, directors may be removed from office with or without cause by the affirmative vote of holders of a majority of the voting power of the shares entitled to vote in connection with the election of the directors of the Corporation, voting together as a single class. Any director serving on a committee of the Board of Directors may be removed from such committee at any time by the Board of Directors.

Section 9. Compensation of Directors. Unless otherwise restricted by the Certificate of Incorporation, the Board of Directors shall have the authority to fix the compensation of the directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or paid a stated salary or paid other compensation as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed compensation for attending committee meetings.

ARTICLE III - COMMITTEES

Section 1. Committees of the Board of Directors. The Board of Directors may from time to time designate committees of the Board of Directors, with such lawfully delegable powers and duties as it thereby confers, to serve at the pleasure of the Board of Directors and shall, for those committees and any others provided for herein, elect a director or directors to serve as the member or members, designating, if it desires, other directors as alternate members who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of any committee and any alternate member in his or her place, the member or members of the committee present at the meeting and not disqualified from voting, whether or not he or she or they constitute a quorum, may by unanimous vote appoint another member of the Board of Directors to act at the meeting in the place of the absent or disqualified member.

Section 2. Conduct of Business. Each committee may determine the procedural rules for meeting and conducting its business and shall act in accordance therewith, except as otherwise provided herein or required by law. Adequate provision shall be made for notice to members of all meetings. The presence of at least a majority of the members of the committee shall constitute a quorum for the transaction of business. All matters shall be determined by a majority vote of the members present at any meeting at which a quorum is present. Action may be taken by any committee without a meeting if all members thereof consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of the proceedings of such committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

ARTICLE IV - OFFICERS

Section 1. Generally. The Board of Directors, at its next meeting following each annual meeting of the Stockholders, shall elect officers of the Corporation, including a Chief Executive Officer and a Secretary. The Board of Directors may also from time to time elect such other officers as it may deem proper or may delegate to any elected officer of the Corporation the power to appoint and remove any such other officers and to prescribe their respective terms of office, authorities and duties. Any Vice President may be designated Executive, Senior or Corporate, or may be given such other designation or combination of designations as the Board of Directors or the Chief Executive Officer may determine. Any two or more offices may be held by the same person. The Board may also elect or appoint a Chairman of the Board, who may or may not also be an officer of the Corporation.

Section 2. Terms of Office. All officers of the Corporation elected by the Board of Directors shall hold office for such terms as may be determined by the Board or, except with respect to his or her own office, the Chief Executive Officer, or until their respective successors are chosen and qualified or until his or her earlier resignation or removal. Any officer may be removed from office at any time either with or without cause by affirmative vote of a majority of

the members of the Board then in office *(provided, however*, that an officer who is also serving as a director may be removed from office at any time either with or without cause by affirmative vote of a majority of the other members of the Board then in office), or, in the case of appointed officers, by any elected officer upon whom such power of removal shall have been conferred by the Board of Directors. A vacancy in any office because of death, resignation, removal, disqualification or otherwise shall be filled by the Board in the manner prescribed in these Bylaws for election or appointment to such office.

Section 3. Powers and Duties. Each of the officers of the Corporation elected by the Board of Directors or appointed by an officer in accordance with these Bylaws shall have the powers and duties prescribed by law, by these Bylaws or by the Board and, in the case of appointed officers, the powers and duties prescribed by the appointing officer, and, unless otherwise prescribed by these Bylaws or by the Board of Directors or such appointing officer, shall have such further powers and duties as ordinarily pertain to that office. The Chief Executive Officer shall have authority over the general direction of the affairs of the Corporation.

Section 4. Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

Section 5. Action with Respect to Securities of Other Corporations. Unless otherwise directed by the Board of Directors, the President or any officer of the Corporation authorized by the President shall have power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of security holders of or with respect to any action of security holders of any other corporation or entity in which this Corporation may hold securities and otherwise to exercise any and all rights and powers which this Corporation may possess by reason of its ownership of securities in such other corporation or entity.

ARTICLE V – INFORMATION RIGHTS

Section 1. Financial Statements and Periodic Reports. At all times when the Corporation is not obligated to file reports under Section 13 or Section 15(d) of the Exchange Act, the Corporation shall provide the following information to each holder of any class of the Corporation's Common Stock that is then issued and outstanding (the "Common Stock" and each such holder, a "Common Stockholder") and each holder of any series of the Corporation's Preferred Stock that is then issued and outstanding (the "Preferred Stock" and each such holder of Preferred Stock, a "Preferred Stockholder," and together with the Common Stockholders, the "Stockholders"), and shall satisfy such obligation by timely posting all such information to its website and making such information accessible to the general public, or by timely and publicly filing all such information with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act or otherwise:

(1) for each fiscal year of the Corporation ending on or after December 31, 2016, copies of the consolidated financial statements of the Corporation and its subsidiaries as of the end of such fiscal year, which financial statements shall (i) include a comparison to the prior fiscal year results; (ii) be prepared in accordance with generally accepted accounting principles as in effect from time to time in the United States ("GAAP"); (iii) be audited by a nationally

recognized accounting firm approved by the Board of Directors and accompanied by a report and opinion thereon by such accounting firm prepared in accordance with GAAP; (iv) be accompanied by a management discussion and analysis of financial condition and results of operations with respect to such financial statements (an "MD&A"); and (v) be delivered no later than ninety (90) days following the end of such fiscal year;

(2) for each of the first three (3) fiscal quarters of each fiscal year of the Corporation, copies of the consolidated financial statements of the Corporation and its subsidiaries as of the end of such fiscal quarter, which statements shall (w) include year-to-date results and a comparison to the corresponding period in the prior fiscal year, (x) be prepared in accordance with GAAP, (y) be accompanied by an MD&A and (z) be delivered no later than forty-five (45) days following the end of such fiscal quarter;

(3) from time to time after the occurrence of any event that the Corporation would be required to report on a Form 8-K if it had been a reporting company under the Exchange Act, a report containing substantially the same information as would be required to be contained in, and within the timing required by, a Current Report on Form 8-K under the Exchange Act; and

(4) such additional information as is required to ensure that sufficient "current public information" with respect to the Corporation is available on the Corporation's website to satisfy the requirements of Section 4(a)(7) (as may be amended from time to time, "Section 4(a)(7)" of the Securities Act of 1933, as amended (such act, and the rules and regulations promulgated thereunder, the "Securities Act") and Rule 144A and Rule 144(c) promulgated under the Securities Act. As used in these Bylaws, "Business Day" shall mean any day other than a Saturday, Sunday or day on which commercial banks in the State of Texas or the State of New York are authorized or required by law to close for business.

Section 2. Rule 144, 144A and Section 4(a)(7) Information. With a view to making available to Stockholders the benefits of Section 4(a)(7), Rule 144A promulgated under the Securities Act (as may be amended from time to time, "Rule 144A") and Rule 144 promulgated under the Securities Act (as may be amended from time to time, "Rule 144") and other rules and regulations of the U.S. Securities and Exchange Commission that may at any time permit a Stockholder to sell shares of Common Stock or Preferred Stock, as applicable, to the public without registration, the Corporation shall use commercially reasonable efforts to (i) post to the Corporation's website in a timely manner all reports and other documents required, if any, to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted thereunder and (ii) make and keep publicly available all information necessary to comply with Section 4(a)(7), Rule 144A and Rule 144 with respect to resales of shares of Common Stock or Preferred Stock, as applicable, to the extent required from time to time to enable Stockholders to sell shares of Common Stock or Preferred Stock, as applicable, without registration under the Securities Act within the limitation of the exemptions provided by (x) Section 4(a)(7), Rule 144A and Rule 144 or (y) any other rules or regulations now existing or hereafter adopted by the U.S. Securities and Exchange Commission. Upon the reasonable request of any Stockholder, the Corporation will deliver to such Stockholder a written statement as to whether it has complied with such information requirements, and, if not, the specific reasons for non-compliance.

ARTICLE VI - STOCK

Section 1. Certificates of Stock. The shares of capital stock of the Corporation may be in certificated or uncertificated form at the discretion of the Board. Each holder of stock represented by certificates shall be entitled to a certificate signed by, or in the name of the Corporation by, the President or a Vice President, and by the Secretary or an Assistant Secretary, or the Treasurer or an Assistant Treasurer, certifying the number of shares owned by him or her. Any or all of the signatures on the certificate may be by facsimile. If an officer, transfer agent or registrar of the Corporation who has signed or whose facsimile signature has been placed upon a certificate is no longer serving in that capacity when the certificate is issued, it may be issued by the Corporation with the same effect as if that person were still serving in that capacity at the time of issue.

Section 2. Transfers of Stock. Transfers of stock shall be made only upon the transfer books of the Corporation kept at an office of the Corporation or by transfer agents designated to transfer shares of the stock of the Corporation. Except where a certificate is issued in accordance with Section 4 of Article VI of these Bylaws, an outstanding certificate for the number of shares involved, if one has been issued, shall be surrendered for cancellation before a new certificate, if any, is issued therefor.

Section 3. Record Date.

(1) In order that the Corporation may determine the Stockholders entitled to notice of any meeting of Stockholders or any adjournment thereof, the Board of Directors may, except as otherwise required by law, fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be less than 10 days nor more than 60 days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the Stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining Stockholders entitled to notice of and to vote at a meeting of Stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of Stockholders of record entitled to notice of or to vote at a meeting of Stockholders shall apply to any adjournment of the meeting; *provided*, *however*, that the Board of Directors may fix a new record date for determination of Stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for Stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of Stockholders entitled to vote in accordance with the foregoing provisions of this Section 3 of Article VI at the adjourned meeting.

(2) In order that the Corporation may determine the Stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the Stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining Stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 4. Lost, Stolen or Destroyed Certificates. In the event of the loss, theft or destruction of any certificate of stock, another may be issued in its place pursuant to such regulations as the Board of Directors may establish concerning proof of such loss, theft or destruction and concerning the giving of a satisfactory bond or bonds of indemnity.

Section 5. Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Delaware.

Section 6. Additional Regulations. The issue, transfer, conversion and registration of certificates of stock shall be governed by such other regulations as the Board of Directors may establish from time to time.

ARTICLE VII - NOTICES

Section 1. Notices. If mailed, notice to Stockholders shall be deemed given when deposited in the mail, postage prepaid, directed to the Stockholder at such Stockholder's address as it appears on the records of the Corporation. Without limiting the manner by which notice otherwise may be given effectively to Stockholders, any notice to Stockholders may be given by electronic transmission in the manner provided in Section 232 of the DGCL.

Section 2. Waivers. A written waiver of any notice, signed by a Stockholder or director, or waiver by electronic transmission by such person, whether given before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such person. Neither the business nor the purpose of any meeting need be specified in such a waiver. Attendance of a person at any meeting, present, in person or represented by proxy, shall constitute waiver of notice except attendance for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened.

ARTICLE VIII - MISCELLANEOUS

Section 1. Facsimile Signatures. In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

Section 2.Corporate Seal. The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary or Assistant Treasurer.

Section 3. Reliance upon Books, Reports and Records. Each director, each member of any committee designated by the Board of Directors, and each officer of the Corporation shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors so designated, or by any other person as to matters which such director, committee member or officer reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 4. Fiscal Year. The fiscal year of the Corporation shall be as fixed by the Board of Directors.

Section 5.Time Periods. In applying any provision of these Bylaws which requires that an act be done or not be done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

Section 6. Affiliate Transactions; Certain Definitions.

(1) The Corporation shall not, and shall not cause or permit any of its subsidiaries to, enter into, consummate, amend, modify (including by waiver) or terminate any Affiliate Transaction or any agreement with respect thereto, unless it (a) is on Arms' Length Terms and (b) is approved by a majority of the directors who were not appointed by, are not otherwise affiliated with, the Related Party to which the Affiliate Transaction relates or any Affiliate of such Related Party (such directors, the "Disinterested Directors").

(2) As used in these Bylaws, the following terms shall have the meanings set forth below:

a. "Affiliate" shall mean, with respect to any person, any other person directly or indirectly controlling, controlled by, or under common control with, such person as of the date on which, or at any time during the period for which, the determination of affiliation is being made (including any investment fund the primary investment manager or investment advisor to which is such person or its Affiliate). For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by contract or otherwise.

b. "Affiliate Transaction" shall mean any contract, agreement, transaction or other arrangement (whether written or unwritten) between the Corporation or any of its subsidiaries, on the one hand, and any Stockholder or any Affiliate (including any portfolio company or funds under management of such Stockholder or its Affiliates) of any stockholder of the Corporation, on the other hand; *provided*, that it shall not include any contract, agreement, transaction or other arrangement that is solely between the Corporation and/or any one or more of its wholly-owned subsidiaries.

c. "Arms' Length Terms" shall mean, with respect to any agreement or transaction, that the terms thereof are at least as favorable to the Corporation (or any subsidiary) as could reasonably be obtained from an independent third party (including with respect to prevailing market terms and pricing provisions).

d. "Majority Stockholder Approval" means, with respect to any matter, the affirmative vote or written consent of one or more stockholders then holding, in the aggregate, a majority of the voting power of all of the then-outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class.

e. "Related Party" shall mean a stockholder of the Corporation who, collectively with its Affiliates (including any controlled portfolio companies and funds under management of such stockholder or its Affiliates), holds more than ten percent (10.0%) of the voting power of all of the then-outstanding shares of capital stock entitled to vote generally in the election of directors of the Corporation.

f. "Supermajority Stockholder Approval" means, with respect to any matter, the affirmative vote or written consent of one or more stockholders then holding, in the aggregate, at least sixty-six and two-thirds percent (66 2/3%) of the voting power of all of the then-outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class.

Section 7. Actions Requiring Stockholder Approval.

(1) Notwithstanding anything to the contrary contained in these Bylaws or that a lesser percentage vote or consent may be required under the DGCL or other applicable law, until the earlier of a Listing or the consummation of an IPO, the Corporation shall not, and shall not permit or cause any of its subsidiaries to, cause or engage in any of the following transactions or take any of the following actions, without first obtaining (in addition to authorization by the Board of Directors) Majority Stockholder Approval, and any such transaction or action shall not be authorized unless and until such approval is obtained:

a. any merger, consolidation, recapitalization, reorganization or other similar transaction involving the Corporation or any of its material subsidiaries in which the holders of the voting equity securities (or equivalent securities of any subsidiary) immediately prior to such transaction hold in the aggregate less than a majority of the outstanding voting equity securities of the surviving entity immediately after such transaction (other than pursuant to any merger, consolidation, recapitalization, reorganization or similar transactions solely between wholly-owned subsidiaries of the Corporation);

b. any sale, lease, conveyance or other disposition of all or substantially all of the assets of the Corporation and its subsidiaries on a consolidated basis, or of any of its material subsidiaries (other than (i) pursuant to any sale, lease, conveyance or other disposition solely between wholly-owned subsidiaries of the Corporation or (ii) the granting of any mortgage, pledge, hypothecation, assignment (as security), deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest, or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever having substantially the same economic effect as any of the foregoing);

c. the liquidation, dissolution or winding up of any material subsidiary of the Corporation, or the taking of any action that results in the liquidation, dissolution or winding up of any material subsidiary of the Corporation; or

d. the entering into of any contract, agreement, arrangement or commitment to do or engage in any of the foregoing.

(2) Notwithstanding anything to the contrary contained in these Bylaws or that a lesser percentage vote or consent may be required under the DGCL or other applicable law, until the earlier of a Listing or the consummation of an IPO, the Corporation shall not, and shall not permit or cause any of its subsidiaries to, cause or engage in any of the following transactions or take any of the following actions, without first obtaining (in addition to authorization by the Board of Directors) Supermajority Stockholder Approval, and any such transaction or action shall not be authorized unless and until such approval is obtained:

a. the liquidation, dissolution or winding up of the Corporation on a going concern basis, or the taking of any action that results in the liquidation, dissolution or winding up of the Corporation on a going concern basis; or

b. the entering into of any contract, agreement, arrangement or commitment to do or engage in any of the foregoing.

ARTICLE IX - AMENDMENTS

In furtherance and not in limitation of the powers conferred by law, the Board of Directors is expressly authorized to adopt, amend and repeal these Bylaws pursuant to a resolution adopted by a majority of the Whole Board, subject to the power of the holders of capital stock of the Corporation to adopt, amend or repeal these Bylaws by the affirmative vote of the holders of a majority of the voting power of all of the then outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class (in addition to any approval by the holders of any particular class or series of capital stock required by law or these Bylaws or the terms of any preferred stock of the Corporation); provided, however, that, notwithstanding any other provision of these Bylaws or any provision of law that might otherwise permit a lesser vote or no vote, but in addition to any vote of the holders of any class or series of the stock of this corporation required by law or by these Bylaws, any amendment (directly or indirectly, by merger, consolidation or otherwise) or waiver of any provision of these Bylaws in a manner that adversely affects the rights, preferences or privileges of the holders of the Series A Preferred Stock in any material respect shall require the affirmative vote of the of a majority of the outstanding shares of Series A Preferred Stock that are outstanding immediately following the closing of the transactions contemplated by that certain Backstop Commitment Agreement, dated as of December 20, 2016, by and among the Corporation, Linn Acquisition Company, LLC and the commitment parties party thereto, voting together as a single class.

ARTICLE X - CONFLICTS WITH CERTIFICATE OF INCORPORATION

Notwithstanding anything to the contrary contained in these Bylaws, to the extent that any provision set forth herein conflicts with or is inconsistent with any provision of the Certificate of Incorporation, the provision set forth in the Certificate of Incorporation shall take precedence and shall control, to the fullest extent permitted by applicable law.

[*Remainder of page intentionally left blank*]

Exhibit 3.3

FIRST AMENDMENT TO THE
AMENDED AND RESTATED BYLAWS
OF
BERRY PETROLEUM CORPORATION

Effective as of April , 2017, Article V of the Amended and Restated Bylaws of Berry Petroleum Corporation is hereby amended and restated in its entirety as follows:

ARTICLE V

[Reserved.]

Except as set forth in this First Amendment, all other provisions of the Amended and Restated Bylaws will remain in full force and effect. From and after the date of this First Amendment, any references to the Amended and Restated Bylaws in the Amended and Restated Bylaws and any other agreements or instruments will be deemed to refer to the Amended and Restated Bylaws as amended pursuant to this First Amendment.

Exhibit 3.4

CERTIFICATE OF DESIGNATION
OF
SERIES A CONVERTIBLE PREFERRED STOCK
OF
BERRY PETROLEUM CORPORATION

Berry Petroleum Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), in accordance with the provisions of Section 151 of the General Corporation Law of the State of Delaware thereof, does hereby certify:

The board of directors of the Corporation (the "Board of Directors") or a duly authorized committee of the Board of Directors, in accordance with the Amended and Restated Certificate of Incorporation and Bylaws of the Corporation and applicable law, adopted the following resolution on February 28, 2017.

RESOLVED, that pursuant to the provisions of the Amended and Restated Certificate of Incorporation and the Bylaws of the Corporation and applicable law, a series of preferred stock of the Company designated as the "Series A Convertible Preferred Stock," par value $0.001 per share (the "Series A Preferred Stock"), be and hereby is created pursuant to the authority vested in the Board of Directors to create series and classes of preferred stock, the number of authorized shares constituting the Series A Preferred Stock shall be 250,000,000 and the voting and other powers, preferences and relative, participating, optional or other rights, and the qualifications, limitations and restrictions thereof, of the shares of such series, are as follows:

1. Designation and Number of Shares. The Series A Preferred Stock shall be designated as "Series A Convertible Cumulative Preferred Stock," and the number of authorized shares constituting such series shall be 250,000,000. Such number of shares of the Series A Preferred Stock may be increased or decreased by resolution of the Board of Directors; *provided* that no decrease shall reduce the number of shares of Series A Preferred Stock to a number less than the number of shares then outstanding plus the number of shares issuable upon exercise or conversion of outstanding rights, options or other securities issued by the Corporation.

2. Rank.

(a) The Series A Preferred Stock shall, with respect to dividend rights, redemption rights, sale, merger or change of control preference and rights on liquidation, dissolution and winding up of the affairs of the Corporation, whether voluntary or involuntary (a "Liquidation Event"), rank senior to each other series or class of capital stock.

(b) Each share of Series A Preferred Stock shall be identical in all respects to every other share of the Series A Preferred Stock.

3. Dividends. The holders of the then outstanding Series A Preferred Stock, in preference to the holders of any shares of Junior Securities (as defined below), shall be entitled to receive, when, as and if declared by the Board of Directors, out of any funds and assets of the Corporation legally available therefor, cumulative dividends (the "Regular Dividends") at a rate of 6.00% per annum (the "Dividend Rate") of the Series A Accreted Value (as defined below)

either in cash or in additional shares of Series A Preferred Stock (with such shares of Series A Preferred Stock having a deemed value of $10.00 per share) at the discretion of the Board of Directors. Regular Dividends shall be computed on the basis of a 360-day year of twelve 30-day months, shall accrue daily, compound quarterly and shall be cumulative from and including the date on which each share of Series A Preferred Stock is issued, whether or not declared, and whether or not there are earnings or profits, surplus or other funds or assets of the Corporation legally available for the payment of dividends (at the time such dividend becomes payable or at any other time). On each March 31, June 30, September 30 and December 31 of each year (each, a Regular Dividend Payment Date"), the amount of such unpaid Regular Dividends that have accrued since the previous Regular Dividend Payment Date (or initial issuance in the case of the first Regular Dividend Payment Date) shall be added to the Series A Accreted Value of such share.

4. Liquidation Rights.

(a) In the event of any Liquidation Event, holders of the Series A Preferred Stock then outstanding shall be entitled to receive for each share of Series A Preferred Stock, out of the funds and assets of the Corporation or proceeds thereof (whether capital or surplus) that may be legally distributed to stockholders of the Corporation ("Available Funds and Assets"), but before any payment or distribution of such Available Funds and Assets is made to or set aside for the holders of Junior Securities, payment in an amount equal to the Series A Accreted Value per share of the Series A Preferred Stock. The aggregate amount which a holder of a share of Series A Preferred Stock is entitled to receive under this Section 4 is hereinafter referred to as the "Series A Preferred Liquidation Amount". To the extent such Series A Preferred Liquidation Amount is paid in full to all holders of Series A Preferred Stock, thereafter the entire remaining assets and funds of the Corporation legally available for distribution, if any, shall be distributed among the holders of any Corporation stock entitled to a preference over the Common Stock in accordance with the terms thereof and, thereafter, to the holders of Common Stock.

(b) If in connection with any distribution described in Section 4(a) above the Available Funds and Assets are not sufficient to pay the Series A Preferred Liquidation Amount in full to all holders of Series A Preferred Stock, the amounts paid to the holders of Series A Preferred Stock shall be paid pro rata in accordance with the respective aggregate Series A Accreted Values of the holders of Series A Preferred Stock.

(c) If any assets of the Corporation distributed to stockholders in connection with any Liquidation Event are other than cash, then the value of such assets shall be their Fair Market Value.

5. Conversion.

(a) Optional Conversion. Each share of Series A Preferred Stock may be converted, from time to time, at the option of the holder thereof, and without the payment of additional consideration by the holder thereof, into the number of fully paid and nonassessable shares of Common Stock (the "Per Share Amount") equal to (A) 1.00, multiplied by (B) the applicable Conversion Rate (as defined below). The right of conversion attaching to any shares of Series A Preferred Stock may be exercised by the holders thereof by delivering the shares to be converted to the office of the Corporation, accompanied by a duly signed and completed notice of conversion, which notice must be provided at least 61 days prior to the conversion. The notice of conversion shall specify, if applicable, any event on which such conversion is contingent and the name or names of any nominees in which such holder wishes the certificate or certificates or book entry registration or book entry registrations for shares of Common Stock to be issued. For purposes of an optional conversion pursuant to this Section 5(a), the Conversion Rate shall be the Conversion Rate in effect on the date on which the shares of Series A Preferred Stock and the duly signed and completed notice of conversion are received by the Corporation or, if later, the occurrence of a contingent event specified in such notice.

(b) Forced Conversion. At any time after February 28, 2021, the Corporation may force holders of shares of Series A Preferred Stock to convert all or a portion of the shares of Series A Preferred Stock owned by such holder into a Per Share Amount equal to (A) 1.00, multiplied by (B) the Conversion Rate in effect at such time, subject to adjustment as provided below, if, at the time of such conversion the following conditions are satisfied: (i) the value of a share of Common Stock into which a share of Series A Preferred Stock is convertible is equal to or greater than $15.00, based on the VWAP for any 20-trading-day period during the 30 trading days preceding conversion, (ii) the number of shares of Common Stock issuable upon conversion in any 30-day period does not exceed 20% of the cumulative volume of the shares of Common Stock for the 30 trading days preceding conversion, (iii) such shares of Common Stock are quoted on any national securities exchange and (iv) there is an effective registration statement on file covering resales of all of the shares of Common Stock to be received upon conversion; provided, that the volume limitations in clause (ii) will not apply if the Corporation arranges a firm commitment public underwritten offering of such as converted shares of Common Stock providing for the sale of such Common Shares at a price to the public equal to or greater than $15.00 per share of Common Stock. For purposes of this Section 5(b), "VWAP" shall mean, for any date, the price determined by the first of the following to apply: (A) if the Common Stock is then listed or quoted on a trading market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the principal trading market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P.; (B) if prices for the Common Stock are then reported in a market operated by OTC Market Group Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported during trading hours; or (C) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Company's Board of Directors, the fees and expenses of which shall be paid by the Company.

(c) Recordkeeping. As of (A) the expiration of the notice period (for an optional conversion under Section 5(a)) or (B) the time of the conversion (for a forced conversion under Section 5(b)), a conversion shall be deemed to occur, the Person entitled to receive the Common Stock issuable upon the conversion shall be treated for all purposes as the record holder or holders of such Common Stock and such Person or Persons shall cease to be a record holder of the Series A Preferred Stock. As promptly as practicable on or after a deemed conversion, the Corporation shall issue the number of whole shares of Common Stock issuable upon conversion, with any fractional shares (after aggregating all Series A Preferred Stock being converted on such date) rounded to the next higher or lower whole number as follows: (a) fractions equal to or greater than ½ will be rounded to the next higher whole number; and (b) fractions less than ½ will be rounded to the next lower whole number. Such delivery of shares shall be made, at the option of the applicable holder, in certificated form or by book-entry. Any such certificate or certificates shall be delivered by the Corporation to the appropriate holder, at the discretion of such holder, on a book-entry basis or by mailing certificates evidencing the shares to the holders or such holder's nominees at their respective addresses as set forth in the conversion notice. If any fractional share is rounded down, the Corporation shall pay cash equal to such fraction multiplied by the Fair Market Value of a share of Common Stock.

(d) Dividends Upon Conversion. From the time at which any shares of Series A Preferred Stock are deemed to have been converted in accordance with this Section 5, the holder of such converted shares shall no longer be entitled to receive dividends on such Series A Preferred Stock pursuant to this Section 3 (including, for the avoidance of doubt, any prior accrued but unpaid dividend or the Series A Accreted Value), and the holder of the shares of Common Stock into which the Series A Preferred Stock has been converted shall participate equally and ratably with the holders of Common Stock in all dividends paid on Common Stock.

(e) Liquidation Rights Upon Conversion. From the time at which any shares of Series A Preferred Stock are deemed to have been converted in accordance with this Section 5, the holder of such converted shares shall no longer be entitled to receive the Series A Preferred Liquidation Amount pursuant to Section 4 or the Series A Accreted Value.

(f) Common Stock Reserved for Issuance. The Corporation shall at all times reserve and keep available out of its authorized and unissued Common Stock, solely for issuance upon the conversion of the Series A Preferred Stock, such number of shares of Common Stock as shall from time to time be issuable upon the conversion of all the shares of Series A Preferred Stock then outstanding; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of Series A Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in efforts to obtain the requisite stockholder approval of any necessary amendment to the Corporation's Amended and Restated Certificate of Incorporation. Before taking any action that would cause an

adjustment reducing the Per Share Amount, the Corporation will take any corporate action which may, upon the advice of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Per Share Amount. Any shares of Common Stock issued upon conversion of Series A Preferred Stock shall be (i) duly authorized, validly issued and fully paid and nonassessable and (ii) shall rank *pari passu* with the other shares of Common Stock outstanding from time to time.

(g) Taxes. The holder of shares of Series A Preferred Stock electing to convert such shares, in the case of a conversion pursuant to Section 5(a), or the Corporation, in the case of a conversion pursuant to Section 5(b), shall pay any and all issue and other similar Taxes that may be payable in respect of the issue or delivery of shares of Common Stock on conversion of Series A Preferred Stock. Notwithstanding the foregoing, in no event shall the Corporation be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock in a name other than that in which the Series A Preferred Stock so converted were registered, and no such issue or delivery shall be made unless and until the Person requesting such issue has paid to the Corporation the amount of any such tax, or has established to the satisfaction of the Corporation that such tax has been paid.

(h) Dilution Adjustments.

(i) If the Corporation shall, at any time or from time to time while any of the Series A Preferred Stock is outstanding, effect a subdivision (whether by split, reclassification, reorganization, recapitalization or otherwise) or combination (whether by reverse split, reclassification, reorganization or otherwise) in respect of shares of Common Stock, or pay a dividend, or make a distribution, on the outstanding shares of Common Stock in shares of Common Stock, then the Conversion Rate shall be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{OS'}{OS_0}$$

where

CR_0	=	the Conversion Rate in effect immediately prior to the Close of Business on the effective date of such subdivision or combination, as applicable;
CR'	=	the new Conversion Rate in effect immediately after the Close of Business on the effective date of such subdivision or combination, as applicable;
OS_0	=	the number of shares of Common Stock outstanding immediately prior to the Close of Business on the effective date of such subdivision or combination, as applicable; and

OS’ = the number of shares of Common Stock outstanding immediately after the Close of Business on the effective date of such subdivision or combination, as applicable.

(ii) The Corporation may make increases in the Conversion Rate, in addition to any other increases required by this Section 5(h), provided such increases are not adverse to the holders of Series A Preferred Stock, if the Board of Directors deems it advisable and necessary to avoid or diminish any income tax to holders of the Common Stock resulting from any dividend or distribution of shares of Common Stock (or issuance of options, rights or warrants for Common Stock) or from any event treated as such for income tax purposes or for any other reason.

(iii) Upon any adjustment of the Conversion Rate then in effect and any increase or decrease in the number of shares of Common Stock issuable upon the operation of the conversion set forth in this Section 5, then, and in each such case, the Corporation shall promptly deliver to each holder of the Series A Preferred Stock, a certificate signed by the President or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation setting forth in reasonable detail the event requiring the adjustment and the method by which such adjustment was calculated and specifying the Conversion Rate then in effect following such adjustment and the increased or decreased number of shares issuable upon the conversion granted by this Section 5, and shall set forth in reasonable detail the method of calculation of each and a brief statement of the facts requiring such adjustment. Where appropriate, such notice to holders of the Series A Preferred Stock may be given in advance.

(iv) In case at any time or from time to time the Corporation shall pay any stock dividend or make any other non-cash distribution to the holders of its Common Stock, or shall offer for subscription pro rata to the holders of its Common Stock any additional shares of stock of any class or any other right, or there shall be any capital reorganization or reclassification of the Common Stock of the Corporation or consolidation or merger of the Corporation with or into another corporation, or any sale or conveyance to another corporation of the property of the Corporation as an entirety or substantially as an entirety, or there shall be a voluntary or involuntary dissolution, liquidation or winding up of the Corporation, then, in any one or more of such cases, the Corporation shall give at least 20 days’ prior written notice to the registered holders of Series A Preferred Stock at the addresses of each as shown on the books of the Corporation as of the date on which (i) the books of the Corporation shall close or a record shall be taken for such stock dividend, distribution or subscription rights or (ii) such reorganization, reclassification, consolidation, merger, sale or conveyance, dissolution, liquidation or winding up shall take place, as the case may be. Such notice shall also specify the date as of which the holders of the Common Stock of record shall participate in such dividend, distribution or subscription rights or shall be entitled to exchange their Common Stock for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale or conveyance or participate in such dissolution, liquidation or winding up, as the case may be. Failure to give such notice shall not invalidate any action so taken.

6. Voting Rights. Each holder of Series A Preferred Stock shall be entitled to vote with holders of outstanding shares of Common Stock, voting together as a single class, with respect to any and all matters presented to the stockholders of the Corporation for their action or consideration (whether at a meeting of stockholders of the Corporation, by written action of stockholders in lieu of a meeting or otherwise), except as required by law. In any such vote, each share of Series A Preferred Stock shall be entitled to a number of votes equal to the number of shares of Common Stock into which the share is convertible pursuant to Section 5 as of the record date for such vote or written consent or, if there is no specified record date, as of the date of such vote or written consent. Each holder of Series A Preferred Stock shall be entitled to notice of any stockholders' meeting (or request for written consent) in accordance with the bylaws of the Corporation.

7. Definitions.

(a) "Common Stock" shall mean shares of the Common Stock of the Corporation, par value $0.001.

(b) "Conversion Rate" shall mean 1.00, subject to adjustment as set forth in Section 5(h).

(c) "Fair Market Value" shall mean, as of the applicable date, (a) for any property that is not a security, the amount for which the property at issue would sell between a willing buyer and a willing seller, with neither being under compulsion; (b) for a publicly traded security, the value of such security based on the last sales price reported for the Common Stock of the Corporation on the principal national securities exchange in the United States on which it is then traded, listed or otherwise reported or quoted; and (c) for a non-publicly traded security, the amount determined by the Board of Directors in good faith, taking into account the requirements of Section 409A of the United States Internal Revenue Code of 1986, as amended, and any other applicable laws, rules or regulations and without applying any discounts for minority interest, illiquidity or other similar factors.

(d) "Junior Securities" shall mean all classes of Common Stock of the Corporation and to each other class of capital stock or series of Preferred Stock hereafter created, the terms of which do not expressly provide that it ranks prior to or *pari passu* with the Series A Preferred Stock as to dividends and as to distributions upon a Liquidation Event.

(e) "Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof.

(f) "Series A Accreted Value" shall mean, with respect to each share of Series A Preferred Stock the sum of (i) $10.00, plus (ii) any accrued and unpaid Regular Dividends added to such Series A Accreted Value on each Regular Dividend Payment Date pursuant to Section 3.

8. No Redemption. The Series A Preferred Stock shall not be subject to redemption by the Corporation or at the option of any holder of Series A Preferred Stock; *provided however* that the Corporation may purchase or otherwise acquire outstanding shares of Series A Preferred Stock in the open market or by offer to any holder or holders of Series A Preferred Stock. The shares of Series A Preferred Stock shall not be subject to, or entitled to the operation of a retirement or sinking fund.

9. Amendment. At any time when any shares of Series A Preferred Stock are outstanding, the Amended and Restated Certification of Incorporation of the Corporation shall not be amended in any manner (whether by merger, consolidation or otherwise) which would alter or change the powers preferences and relative, participating, optional and other special rights of the Series A Preferred Stock so as to effect holders of the Series A Preferred Stock adversely, without the affirmative vote of the holders of at least the majority of the outstanding shares of Series A Preferred Stock, voting separately as a class.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Designation this 28th day of February, 2017

BERRY PETROLEUM CORPORATION

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: Chief Executive Officer

[*Signature Page to Certificate of Designation of Series A Convertible Preferred Stock*]


COMMON STOCK
COMMON STOCK
PAR VALUE $0.001
PAR VALUE $0.001
BERRY PETROLEUM CORPORATION
SPECIMEN
FULLY PAID AND NON-ASSESSABLE SHARES OF THE COMMON STOCK OF
SEAL

The Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Such requests shall be made to the Corporation's Secretary at the principal office of the Corporation.

KEEP THIS CERTIFICATE IN A SAFE PLACE. IF IT IS LOST, STOLEN, OR DESTROYED THE CORPORATION WILL REQUIRE A BOND OF INDEMNITY AS A CONDITION TO THE ISSUANCE OF A REPLACEMENT CERTIFICATE.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	– as tenants in common
TEN ENT	– as tenants by the entireties
JT TEN	– as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT– _____ (Cust) Custodian _____ (Minor)
under Uniform Gifts to Minors
Act _____ (State)

UNIF TRF MIN ACT– _____ (Cust) Custodian (until age _____)
_____ (Minor) under Uniform Transfers
to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____
(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____

_____

_____ Shares of the common stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney to transfer the said stock on the books of the within named Corporation with full power of substitution in the premises.

Dated _____

X _____

X _____

NOTICE: THE SIGNATURE(S) TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME(S) AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

Signature(s) Guaranteed

By _____

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15.

Exhibit 4.2


SERIES A CONVERTIBLE PREFERRED STOCK
SERIES A CONVERTIBLE PREFERRED STOCK
PAR VALUE $0.001
PAR VALUE $0.001
BERRY PETROLEUM CORPORATION
SPECIMEN
FULLY PAID AND NON-ASSESSABLE SHARES OF THE SERIES A CONVERTIBLE PREFERRED STOCK OF
SEAL

The Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Such requests shall be made to the Corporation's Secretary at the principal office of the Corporation.

KEEP THIS CERTIFICATE IN A SAFE PLACE. IF IT IS LOST, STOLEN, OR DESTROYED THE CORPORATION WILL REQUIRE A BOND OF INDEMNITY AS A CONDITION TO THE ISSUANCE OF A REPLACEMENT CERTIFICATE.

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TEN COM	– as tenants in common
TEN ENT	– as tenants by the entireties
JT TEN	– as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT– _____ (Cust) Custodian _____ (Minor)
under Uniform Gifts to Minors
Act _____ (State)

UNIF TRF MIN ACT– _____ (Cust) Custodian (until age _____)
_____ (Minor) under Uniform Transfers
to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____
(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____

_____

_____ Shares of the Series A Convertible Preferred Stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney to transfer the said stock on the books of the within named Corporation with full power of substitution in the premises.

Dated _____

X _____

X _____

NOTICE: THE SIGNATURE(S) TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME(S) AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

Signature(s) Guaranteed

By _____

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15.

Exhibit 4.3

Execution Version

BERRY PETROLEUM COMPANY, LLC

AND EACH OF THE GUARANTORS PARTY HERETO

7.000% SENIOR NOTES DUE 2026

INDENTURE

Dated as of February 8, 2018

WELLS FARGO BANK, NATIONAL ASSOCIATION

Trustee

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INDENTURE dated as of February 8, 2018 among Berry Petroleum Company, LLC, a Delaware limited liability company (the "*Issuer*"), Berry Petroleum Corporation, a Delaware corporation (the "*Company*") and the other Guarantors (as defined) that may from time to time be party hereto and Wells Fargo Bank, National Association, a national banking association, as trustee.

The Issuer, the Guarantors and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined) of the 7.000% Senior Notes due 2026 (the "*Notes*"):

ARTICLE 1
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01 *Definitions.*

"144A Global Note" means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes initially sold in reliance on Rule 144A.

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Additional Notes" means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.02 and 4.09 hereof, as part of the same series as the Initial Notes.

"Adjusted Consolidated Net Tangible Assets" means (without duplication), as of the date of determination:

(a) the sum of:

(i) the discounted future net revenues from Proved Reserves of the Company and its Restricted Subsidiaries calculated in accordance with SEC guidelines before any state or federal or foreign income taxes, as estimated in the reserve report prepared either as of the end of the Company's most recently completed fiscal year (provided that, prior to the availability of the reserve report as of December 31, 2017, the reserve report prepared as

of November 30, 2017 shall be deemed to be as of the most recently completed fiscal year for purposes of this covenant), or, if such date of determination is within 45 days after the end of such most recently completed fiscal year and no reserve report as of the end of such fiscal year has at the time been prepared or audited by independent petroleum engineers, the Company's second preceding fiscal year, or, at the Company's option, the most recently completed fiscal quarter for which financial statements are available, which reserve report is prepared or audited by independent petroleum engineers as to Proved Reserves accounting for at least 80% of all such discounted future net revenues and by the Company's petroleum engineers with respect to any other Proved Reserves covered by such report, as *increased by*, as of the date of determination, the estimated discounted future net revenues from:

(A) estimated Proved Reserves of the Company and its Restricted Subsidiaries acquired since the date of such year-end or quarterly reserve report, as applicable, and

(B) estimated Proved Reserves of the Company and its Restricted Subsidiaries attributable to extensions, discoveries and other additions and upward revisions of estimates of Proved Reserves (including previously estimated development costs incurred during the period and the accretion of discount since the prior period end) since the date of such year-end or quarterly reserve report, as applicable, due to exploration, development or exploitation, production or other activities which would, in accordance with standard industry practice, cause such revisions,

and *decreased by*, as of the date of determination, the discounted future net revenue attributable to:

(C) estimated Proved Reserves of the Company and its Restricted Subsidiaries reflected in such year-end or quarterly reserve report produced or disposed of since the date of such year-end or quarterly reserve report, as applicable, and

(D) reductions in estimated Proved Reserves of the Company and its Restricted Subsidiaries reflected in such year-end or quarterly reserve report since the date of such year-end or quarterly reserve report attributable to downward revisions of estimates of Proved Reserves since the date of such year-end or quarterly reserve report, as applicable, due to changes in geological conditions or other factors which would, in accordance with standard industry practice, cause such revisions;

in the case of the preceding clauses (A) through (D), calculated on a pre-tax basis in accordance with SEC guidelines (utilizing the prices utilized

in such Person's year-end or quarterly reserve report, as applicable) and estimated by the Company's petroleum engineers or any independent petroleum engineers engaged by the Company for that purpose;

(ii) the capitalized costs that are attributable to oil and gas properties of the Company and its Restricted Subsidiaries to which no Proved Reserves are attributable, based on the Company's books and records as of a date no earlier than the last day of the Company's most recent quarterly or annual period for which internal financial statements are available;

(iii) the Consolidated Net Working Capital of the Company and its Restricted Subsidiaries as of a date no earlier than the last day of the Company's most recent quarterly or annual period for which internal financial statements are available; and

(iv) the greater of:

(A) the net book value and

(B) the appraised value, as estimated by independent appraisers, of other tangible assets (including Investments in unconsolidated Subsidiaries),

in each case, of the Company and its Restricted Subsidiaries as of a date no earlier than the last day of the date of the Company's most recent quarterly or annual period for which internal financial statements are available; *provided* that if no such appraisal has been performed, the Company shall not be required to obtain such an appraisal and only clause (a)(iv)(A) of this definition shall apply,

minus, to the extent not otherwise taken into account in this clause (a),

(b) the sum of:

(i) minority interests,

(ii) any net gas balancing liabilities of the Company and its Restricted Subsidiaries as of the last day of the Company's most recent annual or quarterly period for which internal financial statements are available;

(iii) to the extent included in clause (a)(i) above, the discounted future net revenues, calculated on a pre-tax basis in accordance with SEC guidelines (utilizing the prices and costs utilized in the applicable reserve report described in clause (a)(i)), attributable to reserves that are required to be delivered to third parties to fully satisfy the obligations of the Company and its Restricted Subsidiaries with respect to Volumetric Production Payments on the schedules specified with respect thereto, and

(iv) the discounted future net revenues, calculated on a pre-tax basis in accordance with SEC guidelines, attributable to reserves subject to Dollar-Denominated Production Payments that, based on the estimates of production, price and cost assumptions included in determining the discounted future net revenues specified in (a)(i) above, would be necessary to fully satisfy the payment obligations of the Company and its Restricted Subsidiaries with respect to Dollar-Denominated Production Payments on the schedules specified with respect thereto.

If the Company changes its method of accounting from the successful efforts method to the full cost method or a similar method of accounting, "Adjusted Consolidated Net Tangible Assets" will continue to be calculated as if the Company were still using the successful efforts method of accounting.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"*Agent*" means any Registrar, Custodian, or Paying Agent.

"*Applicable Premium*" means, with respect to any Note at any redemption date, the greater of:

(1) 1.0% of the principal amount of the Note; or

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the Note at February 15, 2021 (such redemption price being set forth in the table appearing in Section 3.07(d) hereof) plus (ii) all required interest payments due on the Note through February 15, 2021 (in each case excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points discounted to the redemption date on a semi-annual basis (assuming a 360 day year consisting of twelve 30 day months); over

(b) the principal amount of the Note.

"*Applicable Procedures*" means, with respect to any matter at any time relating to any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such matter.

"*Asset Sale*" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights by the Company or any of the Company's Restricted Subsidiaries; *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by Section 4.15 or by Section 5.01 hereof and not by the provisions of Section 4.10 hereof; and

(2) the issuance of Equity Interests by any of the Company's Restricted Subsidiaries or the sale by the Company or any of the Company's Restricted Subsidiaries of Equity Interests in any of the Company's Subsidiaries, other than Preferred Stock issued in compliance with Section 4.09 hereof.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than $15.0 million;

(2) a disposition or transfer of assets between or among the Company and its Restricted Subsidiaries;

(3) an issuance or disposition of Equity Interests by a Restricted Subsidiary of the Company to the Company or to a Restricted Subsidiary of the Company;

(4) the sale, lease or other disposition of products, inventory, equipment, services or accounts receivable in the ordinary course of business and any sale or other disposition of damaged, surplus, worn-out or obsolete assets in the ordinary course of business (including the abandonment or other disposition of intellectual property) that is, in the reasonable judgment of the Company, no longer economically practicable to maintain or useful in the conduct of the business of the Company and its Restricted Subsidiaries taken as whole;

(5) licenses and sublicenses by the Company or any of its Restricted Subsidiaries of software or intellectual property, including seismic data and interpretations thereof, in the ordinary course of business;

(6) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

(7) the granting of Liens not prohibited by Section 4.12 hereof and dispositions in connection with any such Liens;

(8) the sale or other disposition of cash or Cash Equivalents or other financial instruments;

(9) a Restricted Payment (or payment or transfer that would be a Restricted Payment but for an exception to the definition thereof) that does not violate Section 4.07 hereof or a Permitted Investment;

(10) sale or other disposition of Hydrocarbons or other mineral products in the ordinary course of business;

(11) an Asset Swap;

(12) dispositions of oil and natural gas properties; *provided* that at the time of any such disposition such properties do not have associated with them any Proved Reserves;

(13) any Production Payments and Reserve Sales; *provided* that any such Production Payments and Reserve Sales, other than incentive compensation programs on terms that are reasonably customary in the Oil and Gas Business for geologists, geophysicists and other providers of technical services to the Company or a Restricted Subsidiary of the Company, shall have been created, incurred, issued, assumed or Guaranteed in connection with the financing of, and within 60 days after the acquisition of, the property that is subject thereto;

(14) the abandonment, farm-out, lease or sublease of developed or undeveloped Oil and Gas Properties in the ordinary course of business or which are usual and customary in the Oil and Gas Business generally or in the geographic region in which such activities occur, including pursuant to any agreement or arrangement described in the definition of Permitted Business Investments;

(15) any sale or other disposition of Equity Interests in or Indebtedness of an Unrestricted Subsidiary;

(16) the early termination or unwinding of any Hedging Obligations; and

(17) dispositions of Joint Venture interests required by the terms of the documents governing such Joint Venture.

"Asset Swap" means any substantially contemporaneous (and in any event occurring within 180 days of each other) purchase and sale or exchange of any assets or properties used or useful in the Oil and Gas Business between the Company or any of its Restricted Subsidiaries and another Person; *provided*, that the Fair Market Value of the properties or assets traded or exchanged by the Company or such Restricted Subsidiary (together with any cash) is reasonably equivalent to the Fair Market Value of the properties or assets (together with any cash) to be received by the Company or such Restricted Subsidiary, and *provided further* that any net cash received must be applied in accordance with Section 4.10 hereof if then in effect.

"*Bankruptcy Law"* means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is

exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have corresponding meanings. For purposes of this definition, a Person shall be deemed not to Beneficially Own securities that are the subject of a stock purchase agreement, merger agreement, amalgamation agreement, arrangement agreement or similar agreement until consummation of the transactions or, as applicable, series of related transactions contemplated thereby.

"Board of Directors" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the board of directors of the general partner of the partnership;

(3) with respect to a limited liability company, the board of managers thereof or if there is no such board, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"*Board Resolution*" means a copy of a resolution certified by the Secretary, an Assistant Secretary or another authorized Officer of the applicable Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"*Borrowing Base*" means, with respect to borrowings under the Credit Agreement and any amendment to and/or modification or replacement of the foregoing in the form of a reserve-based borrowing base credit facility, in each case with lenders that include commercial banks regulated by the U.S. Office of the Comptroller of the Currency, the maximum amount determined or re-determined by the lenders thereunder as the aggregate lending value to be ascribed to the Oil and Gas Properties and other assets of the Company and its Restricted Subsidiaries against which such lenders are prepared to provide loans, letters of credit or other Indebtedness to the credit parties, using customary practices and standards for determining reserve-based borrowing base loans and which are generally applied to borrowers in the Oil and Gas Business by commercial lenders, as determined semi-annually during each year and/or on such other occasions as may be required or provided for therein.

"Business Day" means each day that is not a Saturday, Sunday or other day on which banking institutions where the Corporate Trust Office is located, New York, New York or another place of payment are authorized or required by law to close.

"*Capital Lease Obligation"* means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a

penalty. Notwithstanding the foregoing, any lease (whether entered into before or after the date of this Indenture) that would have been classified as an operating lease pursuant to GAAP as in effect on the date of this Indenture will be deemed not to represent a Capital Lease Obligation.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"Cash Equivalents" means:

(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided* that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than one year from the date of acquisition;

(3) certificates of deposit and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case, with any lender party to the Credit Agreement or with any domestic commercial bank or any branch or agency of a non-U.S. bank licensed to conduct business in the United States, in each case having combined capital and surplus of at least $100.0 million and a short term deposit rating no lower than A2 or P2 by S&P or Moody's, respectively;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within one year after the date of creation thereof; and

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition.

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

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)) other than any Restricted Subsidiary or Permitted Holder, in each case which occurrence is followed by a Rating Decline within 90 days;

(2) the adoption of a plan relating to the liquidation or dissolution of the Company or the Issuer; or

(3) the consummation of any transaction (including any merger or consolidation), the result of which is that any Person (including any "person" (as defined above)), other than any Permitted Holder, becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of the Company, measured by voting power rather than number of shares, which occurrence is followed by a Rating Decline within 90 days, provided that a transaction in which the Company becomes a Subsidiary of another Person shall not constitute a Change of Control if, immediately following such transaction, the "persons" (as defined above) who were Beneficial Owners of the Voting Stock of the Company immediately prior to such transaction Beneficially Own, directly or indirectly through one or more intermediaries, 50% or more of the total voting power of the Voting Stock of such other Person of whom the Company has become a Subsidiary (or any parent thereof) in substantially the same proportion relative to each other as immediately before such transaction..

Notwithstanding the preceding, a conversion of the Company or any of its Restricted Subsidiaries from a limited partnership, corporation, limited liability company or other form of entity to a limited liability company, corporation, limited partnership or other form of entity shall not constitute a Change of Control, so long as immediately following such conversion or exchange or transaction no "person" (other than a Permitted Holder) Beneficially Owns more than 50% of the Voting Stock of such entity or its general partner, as applicable.

"Clearstream" means Clearstream Banking, S.A., as operator of the Clearstream system, and its successors.

"Code" means the U.S. Internal Revenue Code of 1986 and any successor statute thereto, in each case as amended from time to time.

"Commission" or *"SEC"* means the Securities and Exchange Commission.

"*Company"* means Berry Petroleum Corporation, a Delaware corporation, and any and all successors thereto.

"Consolidated EBITDAX" means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period *plus*, without duplication:

(1) provision for taxes based on income or profits (including state franchise taxes accounted for as income taxes in accordance with GAAP) of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes were deducted in computing such Consolidated Net Income; *plus*

(2) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(3) depreciation, depletion, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period), impairment and other non-cash charges and expenses (excluding any such non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, depletion, amortization, impairment and other non-cash charges or expenses were deducted in computing such Consolidated Net Income; *plus*

(4) consolidated exploration and abandonment expense of such Person and its Restricted Subsidiaries; *minus*

(5) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business; and *minus*

(6) to the extent increasing such Consolidated Net Income for such period, the sum of (a) the amount of deferred revenues that are amortized during such period and are attributable to reserves that are subject to Volumetric Production Payments and (b) amounts recorded in accordance with GAAP as repayments of principal and interest pursuant to Dollar-Denominated Production Payments,

in each case, on a consolidated basis and determined in accordance with GAAP.

"Consolidated Net Income" means, with respect to any specified Person for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP and without any reduction in respect of Preferred Stock dividends or distributions; *provided* that:

(1) all extraordinary gains or losses and all gains or losses realized in connection with the disposition of securities or the early extinguishment of Indebtedness, losses or charges with respect to reorganization or bankruptcy emergence expenses and all gains or losses realized upon the sale or other disposition of any property, plant or equipment of the Company or its consolidated subsidiaries which is not sold or otherwise disposed of in the ordinary course of business or any gain or loss upon the sale or other disposition of any Capital Stock of any Person, in each case together with any related provision for taxes on any such gains, will be excluded;

(2) the net income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the Person;

(3) the net income (but not loss) of any Restricted Subsidiary other than a Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders, partners or members;

(4) the cumulative effect of a change in accounting principles will be excluded;

(5) unrealized losses and gains under derivative instruments included in the determination of Consolidated Net Income, including those resulting from the application of FASB ASC 815, will be excluded;

(6) any asset impairment write-downs on Oil and Gas Properties or other assets under GAAP or SEC guidelines will be excluded; and

(7) any non-cash compensation charge or gain arising from any grant of stock, stock options or other equity based awards will be excluded.

"*Consolidated Net Working Capital*" of any Person as of any date of determination means the amount (shown on the balance sheet of such Person and its Restricted Subsidiaries prepared on a consolidated basis in accordance with GAAP as of the end of the most recent fiscal quarter of such Person for which internal financial statements are available) by which (a) all current assets of such Person and its Restricted Subsidiaries other than current assets from Oil and Gas Hedging Contracts, exceeds (b) all current liabilities of the Company and its Restricted Subsidiaries, other than (i) current liabilities included in Indebtedness, (ii) current liabilities associated with asset retirement obligations relating to oil and gas properties and (iii) any current liabilities from Oil and Gas Hedging Contracts, in each case as set forth in the consolidated financial statements of the Company prepared in accordance with GAAP (excluding any adjustments made pursuant to FASB ASC 815).

"*continuing*" means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

"*Corporate Trust Office of the Trustee*" will be at the address of the Trustee specified in Section 12.01 hereof, and for Agent services such office shall also mean the office or agency of the Trustee at the date hereof located at Corporate Trust Operations, MAC N9300-070, 600 South Fourth Street, Seventh Floor, Minneapolis, MN 55415, or such other address as to which the Trustee may give notice to the Company.

"*Credit Agreement*" means that certain Credit Agreement, dated as of July 31, 2017, by and among the Company, the Issuer, as borrower, Wells Fargo Bank, N.A., as administrative agent and a syndicate of lenders, as amended, restated, modified, renewed, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities) in whole or in part from time to time.

"*Credit Facilities*" means, one or more debt facilities (including the Credit Agreement), indentures or commercial paper facilities, in each case, with banks or other institutional lenders, or investors, providing for revolving credit loans, term loans, term debt, debt securities, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, extended, increased, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities) in whole or in part from time to time.

"*Custodian*" means the Trustee, as custodian with respect to the Notes in global form, or any successor entity thereto.

"*Customary Recourse Exceptions*" means, with respect to any Non-Recourse Debt of an Unrestricted Subsidiary, exclusions from the exculpation provisions with respect to such Non-Recourse Debt for the voluntary bankruptcy of such Unrestricted Subsidiary, fraud, misapplication of cash, environmental claims, waste, willful destruction and other circumstances customarily excluded by lenders from exculpation provisions or included in separate indemnification agreements in non-recourse financings.

"*Default*" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"*Definitive Note*" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"*Designated Non-cash Consideration*" means the Fair Market Value of non-cash consideration received by the Company or a Restricted Subsidiary in connection with an Asset Sale that is so designated by the Company as Designated Non-cash Consideration, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of or collection on such Designated Non-cash Consideration.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily

redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature, in each case other than in exchange for Capital Stock of the Company (other than Disqualified Stock) or of any direct or indirect parent company. Notwithstanding the preceding sentence, (a) any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Company to repurchase or redeem such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.07 hereof, and (b) the Company's Series A Convertible Preferred Stock will not be deemed to be Disqualified Stock. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Company and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

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

"*Equity Interests*" of any Person means (1) any and all Capital Stock of such Person and (2) all rights to purchase, warrants or options (whether or not currently exercisable), participations or other equivalents of or interests in (however designated) such Capital Stock of such Person, but excluding from all of the foregoing any debt securities convertible into Equity Interests, regardless of whether such debt securities include any right of participation with Equity Interests.

"*Equity Offering*" means a public or private sale of Equity Interests of the Company (other than Disqualified Stock and other than to a Subsidiary of the Company) made for cash on a primary basis to the Company or any cash contribution to the equity capital of the Company, in each case made after the date of this Indenture.

"*Euroclear*" means Euroclear Bank, S.A./N.V., as operator of the Euroclear system, and its successors.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended.

"*Existing Indebtedness*" means all Indebtedness of the Company and its Restricted Subsidiaries (other than Indebtedness under the Credit Agreement) in existence on the date of this Indenture, until such amounts are repaid.

"*Fair Market Value*" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Company in the case of amounts of $30.0 million or more and otherwise by an officer of the Company (unless otherwise provided in this Indenture).

"*FASB ASC 815*" means Financial Accounting Standards Board Accounting Standards Codification Topic No. 815, *Derivatives and Hedging*.

"Fixed Charge Coverage Ratio" means with respect to any specified Person for any four-quarter reference period, the ratio of the Consolidated EBITDAX of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, Guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings under a revolving credit facility) or issues, repurchases or redeems Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "*Calculation Date*"), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Preferred Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period. For purposes of this definition, whenever pro forma effect is to be given to any calculation under this definition, the pro forma calculations will be determined in good faith by an officer of the specified Person; *provided* that such officer may in his or her discretion include any reasonably identifiable and factually supportable pro forma changes to Consolidated EBITDAX, including any pro forma expenses and cost reductions, that have occurred or in the judgment of such officer are reasonably expected to occur within 12 months of the date of the applicable transaction (regardless of whether such expense or cost reduction or any other operating improvements could then be reflected properly in pro forma financial statements prepared in accordance with Regulation S-X under the Securities Act or any other regulation or policy of the SEC).

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or by any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given pro forma effect (as provided above) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDAX attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

"Fixed Charges" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued (excluding (i) any interest attributable to Dollar-Denominated Production Payments, (ii) write-off of deferred financing costs and (iii) accretion of interest charges on future plugging and abandonment obligations, future retirement benefits and other obligations that do not constitute Indebtedness, but including amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of all payments associated with Capital Lease Obligations (but not leases that are not Capital Lease Obligations), commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings), and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; plus

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; plus

(3) any interest on Indebtedness of another Person that is Guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries, whether or not such Guarantee or Lien is called upon; plus

(4) all dividends or distributions, whether paid or accrued and whether or not in cash, on any series of Disqualified Stock of such Person or any series of Preferred Stock of its Restricted Subsidiaries, other than dividends or distributions on Equity Interests payable solely in Equity Interests of such Person (other than Disqualified Stock) or to such Person or a Restricted Subsidiary of such Person.

"GAAP" means generally accepted accounting principles in the United States, which are in effect from time to time.

"Global Note Legend" means the legend set forth in Section 2.06(f)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"*Global Notes*" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depository or its nominee, substantially in the form of Exhibit A hereto, and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Section 2.01, Section 2.06(b)(3), 2.06(b)(4) or 2.06(d)(2) hereof.

"*Government Securities*" means direct obligations of, or obligations guaranteed by, the United States of America, and the full and timely payment for which the United States pledges its full faith and credit.

"*Guarantee*" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise). When used as a verb, "*Guarantee*" has a correlative meaning.

"*Guarantors*" means the Company and any Subsidiary of the Company (other than the Issuer) that Guarantees the Notes in accordance with the provisions of this Indenture, and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of this Indenture.

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) Oil and Gas Hedging Contracts.

"*Holder*" means a Person in whose name a Note is registered on the books of the Registrar.

"*Hydrocarbons*" means oil, natural gas, casing head gas, drip gasoline, natural gasoline, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all constituents, elements or compounds thereof and products refined or processed therefrom.

"*Indebtedness*" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by or issued in exchange for bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof), other than obligations with respect to letters of credit that are not drawn upon (or, to the extent drawn, such drawing is reimbursed within ten business days thereafter);

(3) in respect of bankers' acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services (other than with respect to deferred compensation of officers, directors or employees of the Company and its Restricted Subsidiaries) due more than six months after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) provided that the amount of such Indebtedness shall be the lesser of (x) the Fair Market Value of such asset as such date of determination and (y) the amount of such Indebtedness of such other Person, and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person (including, with respect to any Production Payment, any warranties or guarantees of production or payment by such Person with respect to such Production Payment, but excluding other contractual obligations of such Person with respect to such Production Payment). Subject to the preceding sentence, neither Dollar-Denominated Production Payments nor Volumetric Production Payments shall be deemed to be Indebtedness.

In addition, "Indebtedness" of any Person shall include Indebtedness described in the preceding paragraph that would not appear as a liability on the balance sheet of such Person if:

(1) such Indebtedness is the obligation of a partnership or joint venture that is not a Restricted Subsidiary (a "*Joint Venture*");

(2) such Person or a Restricted Subsidiary of such Person is a general partner of the Joint Venture (a "*Joint Venture General Partner*"); and

(3) there is recourse, by contract or operation of law, with respect to the payment of such Indebtedness to property or assets of such Person or a Restricted Subsidiary of such Person; and then such Indebtedness shall be included in an amount not to exceed:

(a) the lesser of (i) the net assets of the Joint Venture General Partner and (ii) the amount of such obligations to the extent that there is recourse, by contract or operation of law, to the property or assets of such Person or a Restricted Subsidiary of such Person; or

(b) if less than the amount determined pursuant to clause (a) immediately above, the actual amount of such Indebtedness that is recourse to such Person or a Restricted Subsidiary of such Person, if the Indebtedness is evidenced by a writing and is for a determinable amount and the related interest expense shall be included in Fixed Charges to the extent actually paid by such Person or its Restricted Subsidiaries.

Notwithstanding the preceding, "Indebtedness" of a Person shall not include:

(1) any indebtedness that has been defeased in accordance with GAAP or defeased pursuant to the deposit of cash or Cash Equivalents (in an amount sufficient to satisfy all such indebtedness obligations at maturity or redemption, as applicable, and all payments of interest and premium, if any) in a trust or account created or pledged for the sole benefit of the holders of such indebtedness, and subject to no other Liens;

(2) any obligation of such Person in respect of a farm-in agreement or similar arrangement whereby such Person agrees to pay all or a share of the drilling, completion or other expenses of an exploratory or development well (which agreement may be subject to a maximum payment obligation, after which expenses are shared in accordance with the working or participation interest therein or in accordance with the agreement of the parties) or perform the drilling, completion or other operation on such well in exchange for an ownership interest in an oil or gas property;

(3) any repayment or reimbursement obligation of such Person or any of its Restricted Subsidiaries with respect to Customary Recourse Exceptions, unless and until an event or circumstance occurs that triggers the Person's or such Restricted Subsidiary's direct repayment or reimbursement obligation (as opposed to contingent or performance obligations) to the lender or other Person to whom such obligation is actually owed, in which case the amount of such direct payment or reimbursement obligation shall constitute Indebtedness;

(4) obligations to any lender in respect of any Treasury Management Arrangements; and

(5) obligations under agreements described under clause (19) of the definition of Permitted Liens.

"*Indenture*" means this Indenture, as amended or supplemented from time to time.

"*Indirect Participant*" means a Person who holds a beneficial interest in a Global Note through a Participant.

"*Initial Notes*" means the first $400.0 million aggregate principal amount of Notes issued under this Indenture on the date hereof.

"*Initial Purchasers*" means Goldman Sachs & Co. LLC, Wells Fargo Securities, LLC, BMO Capital Markets Corp., Morgan Stanley & Co. LLC, UBS Securities LLC and KeyBanc Capital Markets Inc.

"*Investments*" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities (excluding any interest in an oil or natural gas leasehold to the extent constituting a security under applicable law), together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of the Company such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Company, the Company will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Company's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of Section 4.07 hereof. The acquisition by the Company or any Restricted Subsidiary of the Company of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of Section 4.07 hereof. Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"*Issuer*" means Berry Petroleum Company, LLC, and any and all successors thereto.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"*Midstream Assets*" means (i) assets other than cash and Cash Equivalents used primarily for gathering, transmission, compression, cogeneration, storage, processing, marketing, fractionation, dehydration, stabilization or treatment of Hydrocarbons, carbon dioxide, steam or water and (ii) Equity Interests of any Person whose assets consist, in all material respects, of assets referred to in clause (i).

"*Midstream Business*" means the gathering, marketing, treating, processing, storage, selling, transporting transmission, compression, fractionation, dehydration, stabilization or treatment of Hydrocarbons, carbon dioxide, steam or water or electricity generation.

"*Moody's*" means Moody's Investors Service, Inc., and any successor to the ratings business thereof.

"*Net Proceeds*" means the aggregate amount of cash proceeds and Cash Equivalents received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including any cash or Cash Equivalents received upon the sale or other disposition of any non-

cash consideration received in any Asset Sale but excluding any non-cash consideration deemed to be cash for purposes of Section 4.10 hereof), net of the direct costs relating to such Asset Sale, including legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, and amounts required to be applied to the repayment of Indebtedness, other than revolving credit Indebtedness under a Credit Facility, secured by a Lien on the asset or assets that were the subject of such Asset Sale and any reserve for adjustment or indemnification obligations in respect of the sale price of such asset or assets established in accordance with GAAP.

"*Non-Recourse Debt*" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise, except for Customary Recourse Exceptions; and

(2) as to which the lenders will not have any contractual recourse to the Capital Stock or assets of the Company or any of its Restricted Subsidiaries (other than the Equity Interests of an Unrestricted Subsidiary), except for Customary Recourse Exceptions.

"*Non-U.S. Person*" means a Person who is not a U.S. Person.

"*Note Guarantee*" means the Guarantee by each Guarantor of the Issuer's Obligations under this Indenture and the Notes, as provided in Article 10 hereof.

"*Notes*" has the meaning assigned to it in the preamble to this Indenture. The Initial Notes and any Additional Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes and any Additional Notes.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"*Offering Memorandum*" means the Offering Memorandum of the Issuer, dated February 2, 2018, relating to the initial offering of the Notes.

"*Officer*" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice-President of such Person.

"*Officers' Certificate*" means a certificate that meets the requirements of Section 12.03 hereof and is signed on behalf of the Issuer by two of the Officers of the Issuer, one of whom must be the principal executive officer, the principal financial officer or the principal accounting officer of the Issuer in the case of the Officers' Certificate delivered pursuant to Section 4.03 hereof.

"Oil and Gas Business" means (i) the acquisition, exploration, development, production, operation and disposition of interests in oil, gas and other Hydrocarbon properties, (ii) the gathering, marketing, treating, processing, refining (but not oil refining), storage, selling and transporting of any production from such interests or properties, (iii) any business relating to exploration for or development, production, treatment, processing, refining (but not oil refining), storage, transportation or marketing of oil, gas and other minerals and products produced in association therewith, (iv) electric power generation, transmission and marketing and (v) any activity that is ancillary to or necessary or appropriate for the activities described in clauses (i) through (iv) of this definition.

"*Oil and Gas Hedging Contracts*" means any puts, cap transactions, floor transactions, collar transactions, forward contract, commodity swap agreement, commodity option agreement or other similar agreement or arrangement in respect of Hydrocarbons that are customary in the Oil and Gas Business and designed to protect such Person against or manage exposure to fluctuation in Hydrocarbons prices and not for speculative purposes.

"*Oil and Gas Properties*" means all properties, including equity or other ownership interest therein, owned by such Person or any of its Restricted Subsidiaries which contain or are believed to contain Proved Reserves.

"Opinion of Counsel" means an opinion from legal counsel that meets the requirements of Section 12.03 hereof. Such counsel may be an employee of or counsel to the Company, or any Subsidiary of the Company, or other counsel who is reasonably acceptable to the Trustee.

"Participant" means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively (and, with respect to DTC, shall include Euroclear and Clearstream).

"*Permitted Acquisition Indebtedness*" means Indebtedness or Disqualified Stock of the Company or any of its Restricted Subsidiaries to the extent such Indebtedness or Disqualified Stock was Indebtedness or Disqualified Stock of any other Person existing at the time (a) such Person became a Restricted Subsidiary of the Company or (b) such Person was merged or consolidated with or into the Company or any of its Restricted Subsidiaries, *provided* that on the date such Person became a Restricted Subsidiary or the date such Person was merged or consolidated with or into the Company or any of its Restricted Subsidiaries, as applicable, either

(1) immediately after giving effect to such transaction and any related financing transaction on a pro forma basis as if the same had occurred at the beginning of the applicable four-quarter period, the Company or such Person (if the Company is not the survivor in the transaction) would be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof, or

(2) immediately after giving effect to such transaction and any related financing transaction on a pro forma basis as if the same had occurred at the beginning of the applicable four-quarter period, the Fixed Charge Coverage Ratio of the Company or such Person (if the Company is not the survivor in the transaction) is equal to or greater than the Fixed Charge Coverage Ratio of the Company immediately prior to such transaction.

"Permitted Business Investments" means Investments made in the ordinary course of, and of a nature that is or shall have become customary in, the Oil and Gas Business as a means of actively exploiting, exploring for, acquiring, developing, processing, gathering, marketing or transporting oil and gas through agreements, transactions, interests or arrangements which permit one to share risks or costs, comply with regulatory requirements regarding local ownership or satisfy other objectives customarily achieved through the conduct of Oil and Gas Business jointly with third parties, including (i) ownership interests in oil, natural gas, other Hydrocarbon properties or any interest therein or gathering, transportation, processing, storage or related systems, (ii) Investments in the form of or pursuant to operating agreements, processing agreements, farm-in agreements, farm-out agreements, developments agreements, area of mutual interest agreements, unitization agreements, pooling agreements, joint bidding agreements, service contracts, joint venture agreements, partnership agreements (whether general or limited), limited liability company agreements, subscription agreements, stock purchase agreements and other similar agreements with third parties, and (iii) direct or indirect ownership interests or Investments in drilling rigs, fracturing units and other related equipment or in Persons that own or provide such equipment.

"*Permitted Holder*" means (a) any of Benefit Partners, L.L.C., Goldman Sachs Asset Management, L.P., Oaktree Capital Management L.P. and Western Asset Management Company and, if applicable, each of their respective Affiliates and funds or partnerships managed by any of them or their respective Affiliates, but not including, however, any portfolio companies of any of the foregoing, and (b) the parties to the Stockholders Agreement relating to the Company dated February 28, 2017, as amended to the date of this Indenture, solely to the extent that such parties or their respective Affiliates may be deemed to be a "group" for purposes of Section 13D under the Exchange Act by virtue of such agreement; provided that in the case of any party specified in clause (b) above, without giving effect to such group, Permitted Holders specified in clause (a) above must collectively Beneficially Own an equal or greater amount of the total voting power of the Voting Stock of the Company than the amount of the total voting power of the Voting Stock of the Company beneficially owned by any other member of such group.

"Permitted Investments" means:

(1) any Investment in the Company or in a Restricted Subsidiary of the Company;

(2) any Investment in Cash Equivalents;

(3) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary of the Company; or

(b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its properties or assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale (or a disposition excluded from the definition thereof) that was made pursuant to and in compliance with Section 4.10 hereof, including pursuant to an Asset Swap;

(5) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company or a direct or indirect parent thereof;

(6) any Investments received in compromise or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (b) litigation, arbitration or other disputes;

(7) Investments represented by Hedging Obligations;

(8) loans or advances to officers, directors or employees made in the ordinary course of business of the Company or any Restricted Subsidiary of the Company in an aggregate principal amount not to exceed $5.0 million at any one time outstanding;

(9) repurchases of the Notes;

(10) any Guarantee of Indebtedness permitted to be incurred by Section 4.09 hereof other than a Guarantee of Indebtedness of an Affiliate of the Company that is not a Restricted Subsidiary of the Company;

(11) any Investment existing on, or made pursuant to binding commitments existing on, the date of this Indenture and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the date of this Indenture; *provided* that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the date of this Indenture or (b) as otherwise permitted under this Indenture;

(12) Investments acquired after the date of this Indenture as a result of the acquisition by the Company or any Restricted Subsidiary of the Company of another Person, including by way of a merger, amalgamation or consolidation with or into the Company or any of its Restricted Subsidiaries, or all or substantially all of the properties or assets of another Person, in each case, in a transaction that is not prohibited by Section 5.01 hereof to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(13) Permitted Business Investments or Permitted Midstream Investments;

(14) receivables owing to the Company or any Restricted Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; provided, however, that such trade terms may include such concessionary trade terms as the Company or any such Restricted Subsidiary deems reasonable under the circumstances;

(15) endorsements of negotiable instruments and documents in the ordinary course of business;

(16) such Investments consisting of prepaid expenses, negotiable instruments held for collection and lease, utility and workers' compensation, performance and other similar deposits made in the ordinary course of business by the Company or any Restricted Subsidiary;

(17) Guarantees of performance or other obligations (other than Indebtedness) arising in the ordinary course in the Oil and Gas Business, including obligations under oil and natural gas exploration, development, joint operating, and related agreements and licenses, concessions or operating leases related to the Oil and Gas Business; and

(18) other Investments having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (18) that are at the time outstanding not to exceed the greater of (a) $100.0 million and (b) 5.0% of the Company's Adjusted Consolidated Net Tangible Assets; *provided*, *however*, that if any Investment pursuant to this clause (18) is made in any Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person becomes a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (1) above and shall cease to have been made pursuant to this clause (18) for so long as such Person continues to be a Restricted Subsidiary.

"Permitted Liens" means:

(1) Liens securing Indebtedness and other Obligations under Credit Facilities incurred pursuant to clause (1) of the definition of Permitted Debt or securing Obligations with regard to Treasury Management Arrangements;

(2) Liens in favor of the Company or a Restricted Subsidiary;

(3) Liens on property of a Person existing at the time such Person becomes a Restricted Subsidiary of the Company or is merged with or into or consolidated with the Company or any Restricted Subsidiary of the Company; *provided* that such Liens were not granted or created in anticipation of such Person becoming or merging with a Restricted Subsidiary and *provided further* that such Liens were in existence prior to such Person becoming a Restricted Subsidiary of the Company or such merger or consolidation and do not extend to any assets other than those of the Person that becomes a Restricted Subsidiary of the Company or is merged with or into or consolidated with the Company or any Restricted Subsidiary of the Company;

(4) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Company or any Subsidiary of the Company; *provided* that such Liens were in existence prior to such acquisition and not incurred in contemplation of such acquisition;

(5) (a) Liens for taxes, assessments or other governmental charges not yet due or payable or which are being contested in good faith by appropriate proceedings provided appropriate reserves required pursuant to GAAP have been made in respect thereof or (b) Liens to secure the performance of statutory obligations, insurance, surety or appeal bonds, workers' compensation obligations, bid, plugging and abandonment and performance bonds or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations) or liens on pipelines or other facilities that arise by operation of law;

(6) Liens for the purpose of securing the payment of all or a part of the purchase price of, or Capital Lease Obligations, purchase money obligations or other payments incurred to finance the acquisition, lease, improvement or construction of or repairs or additions to, assets or property acquired or constructed by the Company or a Restricted Subsidiary; provided that:

(A) the aggregate principal amount of Indebtedness secured by such Liens is otherwise permitted to be incurred under this Indenture and does not exceed the cost of the assets or property so acquired or constructed; and

(B) such Liens are created within 180 days of the later of the acquisition, lease, completion of improvements, construction, repairs or additions or commencement of full operation of the assets or property subject to such Lien and do not encumber any other assets or property of the Company or any Restricted Subsidiary other than such assets or property and assets affixed or appurtenant thereto;

(7) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by Section 4.09(b)(4) hereof covering only the assets acquired with or financed by such Indebtedness;

(8) Liens existing on the date of this Indenture (other than Liens pursuant to the Credit Agreement);

(9) Liens created for the benefit of (or to secure) the Notes (or the Note Guarantees);

(10) Liens to secure any Indebtedness permitted to be incurred under this Indenture that refinances or replaces Indebtedness that was secured (or any Lien replacing or extending the foregoing); *provided, however*, that:

(a) the new Lien is limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged with such Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(11) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(12) filing of Uniform Commercial Code financing statements as a precautionary measure in connection with operating leases;

(13) bankers' Liens, rights of setoff, Liens arising out of judgments or awards not constituting an Event of Default and notices of lis pendens and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(14) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness or in connection with escrows of proceeds of Indebtedness pending specified uses;

(15) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(16) grants of software and other technology licenses in the ordinary course of business;

(17) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;

(18) Liens in respect of Production Payments and Reserve Sales; *provided*, that such Liens are limited to the property that is subject to such Production Payments and Reserve Sales;

(19) Liens arising under oil and gas leases or subleases, assignments, farm-out agreements, farm-in agreements, division orders, contracts for the sale, purchase, exchange, transportation, gathering or processing of Hydrocarbons, unitizations and pooling designations, declarations, orders and agreements, development agreements, joint venture agreements, partnership agreements, operating agreements, royalties, working interests, net profits interests, joint interest billing arrangements, participation agreements, production sales contracts, area of mutual interest agreements, gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or geophysical permits or agreements, licenses, sublicenses and other agreements which are customary in the Oil and Gas Business; *provided*, *however*, in all instances that such Liens are limited to the assets that are the subject of the relevant agreement, program, order or contract;

(20) Liens to secure performance of Hedging Obligations of the Company or any of its Restricted Subsidiaries;

(21) Liens on and pledges of the Equity Interests of any Unrestricted Subsidiary or any Joint Venture owned by the Company or any Restricted Subsidiary of the Company to the extent securing Non-Recourse Debt or other Indebtedness of such Unrestricted Subsidiary or Joint Venture;

(22) Liens with respect to Indebtedness that does not exceed an aggregate principal amount, at any one time outstanding, equal to the greater of (a) $50.0 million and (b) 3.0% of the Company's Adjusted Consolidated Net Tangible Assets determined as of the date of such incurrence; and

(23) any Lien renewing, extending, modifying, replacing, refinancing or refunding a Lien permitted by clauses (1) through (22) above, *provided* that (a) the principal amount of the Indebtedness secured by such Lien is not increased except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection therewith and by an amount equal to any existing commitments unutilized thereunder and (b) no assets encumbered by any such Lien other than the assets permitted to be encumbered immediately prior to such renewal, extension, refinance or refund are encumbered thereby (other than improvements thereon, accessions thereto and proceeds thereof).

"*Permitted Midstream Investments*" means Investments by the Company or any of its Restricted Subsidiaries in any Person (including in any Unrestricted Subsidiary) consisting of a capital contribution, or arising from the receipt of non-cash consideration from a transfer, to such Person of Midstream Assets; provided that:

(1) at the time of any such Investment and immediately thereafter, the Company would be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio set forth in Section 4.09(a) hereof;

(2) if such Person has outstanding Indebtedness at the time of any such Investment, either (a) all such Indebtedness is Non-Recourse Debt or (b) any such

Indebtedness of such Person that is not Non-Recourse Debt could, at the time such Investment is made, be incurred at that time by the Company and its Restricted Subsidiaries pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof; and

(3) such Person is not engaged, in any material respect, in any business other than a Midstream Business.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Company or any of its Restricted Subsidiaries or any Disqualified Stock of the Company issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness) or any Disqualified Stock of the Company; *provided* that:

(1) the principal amount (or accreted value, if applicable), or in the case of Disqualified Stock, the amount thereof determined in accordance with the definition of Disqualified Stock, of such Permitted Refinancing Indebtedness does not exceed the principal amount of the Indebtedness or the amount of the Disqualified Stock renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness or accrued and unpaid dividends on the Disqualified Stock, as the case may be, and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness (a) has a final maturity date that is either no earlier than the final maturity date of the Indebtedness or Disqualified Stock being renewed, refunded, refinanced, replaced, defeased or discharged, or more than 90 days after the final maturity date of the Notes and (b) has a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness or Disqualified Stock being renewed, refunded, refinanced, replaced, defeased or discharged or greater than that of the Notes;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Notes or the Note Guarantees, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes or the Note Guarantees, as applicable, on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is not incurred (other than by way of a Guarantee) by a Restricted Subsidiary of the Company (other than a Guarantor or the Issuer) if the Issuer or a Guarantor is the issuer or other primary obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"*Preferred Stock*" means, with respect to any Person, any and all preferred or preference stock or other similar Equity Interests (however designated) of such Person whether outstanding or issued after the date of this Indenture.

"*Private Placement Legend*" means the legend set forth in Section 2.06(f)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*Production Payments*" means Dollar-Denominated Production Payments and Volumetric Production Payments, collectively.

"*Production Payments and Reserve Sales*" means the grant or transfer by the Company or any of its Restricted Subsidiaries to any Person of a royalty, overriding royalty, net profits interest, Production Payment, partnership or other interest in Oil and Gas Properties, reserves or the right to receive all or a portion of the production or the proceeds from the sale of production attributable to such properties where the holder of such interest has recourse solely to such production or proceeds of production, subject to the obligation of the grantor or transferor to operate and maintain, or cause the subject interests to be operated and maintained, in a reasonably prudent manner or other customary standard or subject to the obligation of the grantor or transferor to indemnify for environmental, title or other matters customary in the Oil and Gas Business, including any such grants or transfers pursuant to incentive compensation programs on terms that are reasonably customary in the Oil and Gas Business for geologists, geophysicists or other providers of technical services to the Company or any of its Restricted Subsidiaries.

"*Proved Reserves*" means oil and natural gas reserves constituting "proved oil and gas reserves" as defined in Rule 4-10 of Regulation S-X of the Securities Act. For the avoidance of doubt, "proved oil and gas reserves" shall include any reserves attributable to natural gas liquids.

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*Rating Category*" means:

(1) with respect to S&P, any of the following categories: AAA, AA, A, BBB, BB, B, CCC, CC, C and D (or equivalent successor categories); and

(2) with respect to Moody's, any of the following categories: Aaa, Aa, A, Baa, Ba, B, Caa, Ca, C and D (or equivalent successor categories).

"*Rating Decline*" means a decrease in the rating of the Notes by either Moody's or S&P by one or more gradations (including gradations within Rating Categories as well as between Rating Categories). In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories, namely + or - for S&P, and 1, 2, and 3 for Moody's, will be taken into account; for example, in the case of S&P, a rating decline either from BB+ to BB or BB- to B+ will constitute a decrease of one gradation.

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Regulation S Permanent Global Note"* means a permanent Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Regulation S Temporary Global Note upon expiration of the Restricted Period.

"*Regulation S Temporary Global Note*" means a temporary Global Note substantially in the form of Exhibit A hereto and bearing the legend specified in Section 2.06(f)(3) deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Notes initially sold in reliance on Rule 903 of Regulation S.

"*Reporting Default"* means a Default described in Section 6.01(d) hereof.

"*Responsible Officer,"* when used with respect to the Trustee, means any officer within the corporate trust department of the Trustee who is directly responsible for the administration of this Indenture, or any other officer to whom any corporate trust matter is referred because of his or her knowledge of and familiarity with the particular subject.

"*Restricted Definitive Note"* means a Definitive Note bearing the Private Placement Legend.

"*Restricted Global Note"* means a Global Note bearing the Private Placement Legend.

"*Restricted Investment"* means an Investment other than a Permitted Investment.

"*Restricted Period*" means the 40 day distribution compliance period as defined in Regulation S.

"*Restricted Subsidiary*" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary. Except where expressly stated otherwise, all references to Restricted Subsidiaries refer to Restricted Subsidiaries of the Company, including the Issuer.

"*Rule 144"* means Rule 144 promulgated under the Securities Act.

"*Rule 144A"* means Rule 144A promulgated under the Securities Act.

"*Rule 903"* means Rule 903 promulgated under the Securities Act.

"*Rule 904"* means Rule 904 promulgated under the Securities Act.

"*S&P*" means S&P Global Ratings, and any successor to the ratings business thereof.

"*Securities Act"* means the Securities Act of 1933, as amended.

''*Senior Debt*'' means:

(1) all Indebtedness of the Company or any Restricted Subsidiary outstanding under Credit Facilities, all Hedging Obligations, all Treasury Management Arrangements and all Obligations with respect to any of the foregoing;

(2) any other Indebtedness of the Company or any Restricted Subsidiary permitted to be incurred under the terms of this Indenture, unless the instrument under which such Indebtedness is incurred expressly provides that it is subordinated in right of payment to the Notes or any Note Guarantee;

(3) any Indebtedness of any Restricted Subsidiary (other than the Issuer) that is not a Guarantor; and

(4) all Obligations with respect to the items listed in the preceding clauses (1), (2) and (3).

Notwithstanding anything to the contrary in the preceding, Senior Debt will not include intercompany Indebtedness of the Company or any of its Subsidiaries to the Company or any of its Affiliates or any trade payables.

"*Series A Convertible Preferred Stock*" has the meaning set forth in the Company's Certificate of Designation of Series A Convertible Preferred Stock as in effect on the date of this Indenture.

"Significant Subsidiary" means any Restricted Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of this Indenture.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the first date it was incurred in compliance with the terms of this Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof; *provided* that, in the case of debt securities that are by their terms convertible into Capital Stock (or cash or a combination of cash and Capital Stock based on the value of the Capital Stock) of the Company, any obligation to offer to repurchase such debt securities on a date(s) specified in the original terms of such securities, which obligation is not subject to any condition or contingency, will be treated as a Stated Maturity date of such convertible debt securities.

"Subsidiary" means, with respect to any specified Person:

(1) any corporation, association or other business entity (other than a partnership or limited liability company) of which more than 50% of the total voting power of its Voting Stock is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"TIA" means the Trust Indenture Act of 1939, as amended (15 U.S.C. §§ 77aaa-77bbbb).

"*Treasury Management Arrangement*" means any agreement or other arrangement governing the provision of treasury or cash management services, including deposit accounts, overdraft, credit or debit card, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

"*Treasury Rate"* means, in respect of any redemption date, the yield to maturity, as of the time of computation, of the most recently issued United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 that has become publicly available at least two Business Days prior to such time (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to February 15, 2021; *provided, however*, that if the period from the redemption date to February 15, 2021, is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used. The Company will (a) calculate the Treasury Rate no later than the second (and no earlier than the fourth) Business Day preceding the applicable redemption date and (b) prior to such redemption date, file with the Trustee a statement setting forth the Applicable Premium and the Treasury Rate and showing the calculation of each in reasonable detail. The Trustee shall not be responsible for such calculation.

"Trustee" means Wells Fargo Bank, National Association, until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"*Unrestricted Definitive Note"* means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Global Note"* means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Subsidiary*" means any Subsidiary of the Company (other than the Issuer), and including any newly acquired or newly formed Subsidiary or a Person becoming a Subsidiary through merger or consolidation or Investment therein, that is designated by the Board of Directors of the Company as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 4.11 hereof, is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company; and

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition,

except, in the case of (1), (2), or (3), for any such Indebtedness that is subject to a Guarantee by or other obligation of, or any agreement, contract, arrangement or understanding with, or any equity subscription or credit support obligation of, the Company or Restricted Subsidiary, in each case that constitutes an Investment in such Subsidiary that has been effected as a Restricted Payment or Permitted Investment that complies with Section 4.07 hereof.

All Subsidiaries of an Unrestricted Subsidiary shall also be Unrestricted Subsidiaries.

"*U.S. Person*" means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

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

"*Voting Stock*" of any specified Person as of any date means the Capital Stock of such Person entitling the holders thereof (whether at all times or only so long as no senior class of Capital Stock has voting power by reason of any contingency) to vote in the election of members of the Board of Directors of such Person; *provided* that with respect to a limited partnership or other entity which does not have a Board of Directors, Voting Stock means the Capital Stock of the general partner of such limited partnership or other business entity with the ultimate authority to manage the business and operations of such Person.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness or Disqualified Stock at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity or redemption, in respect of the Indebtedness or Disqualified Stock, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; *by*

(2) the then outstanding aggregate amount of such Indebtedness or Disqualified Stock.

Section 1.02 *Other Definitions.*

Term	Defined in Section
"Affiliate Transaction"	4.11
"Alternate Offer"	4.15
"Asset Sale Offer"	4.10
"Authentication Order"	2.02
"Change of Control Offer"	4.15
"Change of Control Payment"	4.15
"Change of Control Payment Date"	4.15
"Covenant Defeasance"	8.03
"DTC"	2.03
"Event of Default"	6.01
"Excess Proceeds"	4.10
"Finance Corp"	Preamble
"incur"	4.09
"Initial Lien"	4.12
"Legal Defeasance"	8.02
"Offer Amount"	3.09
"Offer Period"	3.09
"Paying Agent"	2.03
"Payment Default"	6.01
"Permitted Debt"	4.09
"Purchase Date"	3.09
"Registrar"	2.03
"Restricted Payments"	4.07
"Suspension Period"	4.18

Section 1.03 *Rules of Construction*.

Unless the context otherwise requires:

(a) a term has the meaning assigned to it;

(b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(c) "or" is not exclusive;

(d) words in the singular include the plural, and in the plural include the singular;

(e) "will" shall be interpreted to express a command;

(f) provisions apply to successive events and transactions;

(g) "including" shall be interpreted to mean "including, without limitation," and the use of the word "including" followed by specific examples shall not be construed as limiting the meaning of the general wording preceding it; and

(h) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

ARTICLE 2
THE NOTES

Section 2.01 *Form and Dating*.

(a) *General*. The Notes and the Trustee's certificate of authentication will be substantially in the form of Exhibit A hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Issuer, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) *Global Notes*. Notes issued in global form will be substantially in the form of Exhibit A hereto (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) *Temporary Global Notes*. Notes offered and sold in reliance on Regulation S will be issued initially in the form of one or more Regulation S Temporary Global Note, which will be deposited on behalf of the purchasers of the Notes represented thereby with the Trustee, as custodian for the Depositary, and registered in the name of the Depositary or the nominee of the Depositary for the accounts of designated agents holding on behalf of Euroclear or Clearstream, duly executed by the Issuer and authenticated by the Trustee as hereinafter provided. The Restricted Period will terminate upon the delivery by the Issuer to the Trustee of a written certificate from the Depositary as to the expiration of the Restricted Period, together with copies of certificates from Euroclear and Clearstream certifying that they have received

certification of non-United States beneficial ownership of 100% of the aggregate principal amount of the Regulation S Temporary Global Note (except to the extent of any beneficial owners thereof who acquired an interest therein during the Restricted Period pursuant to another exemption from registration under the Securities Act and who will take delivery of a beneficial ownership interest in a 144A Global Note bearing a Private Placement Legend, all as contemplated by Section 2.06(f) hereof).

Following the termination of the Restricted Period, the Issuer shall instruct, which instructions shall be in writing and comply with Rule 9.03(b)(3)(ii)(B) of Regulation S, the Trustee to, and upon such instructions, the Trustee shall, exchange beneficial interests in the Regulation S Temporary Global Note for beneficial interests in the Regulation S Permanent Global Note, pursuant to the Applicable Procedures. Simultaneously with the exchange of such beneficial interests and in accordance with Section 2.06(g), the Trustee will (i) reduce and endorse the Regulation S Temporary Global Note accordingly and (ii) increase and endorse the Regulation S Permanent Global Note accordingly. The aggregate principal amount of the Regulation S Temporary Global Note and the Regulation S Permanent Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depositary or its nominee, as the case may be, in connection with transfers of interest as hereinafter provided.

(d) *Euroclear and Clearstream Procedures Applicable*. The provisions of the "Operating Procedures of the Euroclear System" and the "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Clearstream Banking" and "Customer Handbook" of Clearstream will be applicable to transfers of beneficial interests in the Regulation S Temporary Global Note and the Regulation S Permanent Global Note that are held by Participants through Euroclear or Clearstream.

Section 2.02 *Execution and Authentication*.

At least one Officer must sign the Notes for the Issuer by manual, facsimile or electronically transmitted signature.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee will, upon receipt of a written order of the Issuer signed by an Officer of the Issuer (an "*Authentication Order*"), authenticate Notes for original issue that may be validly issued under this Indenture, including any Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Issuer pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent reasonably acceptable to the Issuer to authenticate Notes. An authenticating agent may authenticate Notes whenever the Trustee may

do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Company.

Section 2.03 *Registrar and Paying Agent.*

The Issuer will maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("*Registrar*") and an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Issuer may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Issuer may change any Paying Agent or Registrar without notice to any Holder. The Issuer will notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Issuer fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any of the Company's Subsidiaries may act as Paying Agent or Registrar.

The Issuer initially appoints The Depository Trust Company ("*DTC*") to act as Depositary with respect to the Global Notes. The Company has entered into a letter of representations with DTC in the form provided by DTC, and the Trustee and each Agent are hereby authorized to act in accordance with such letter and Applicable Procedures.

The Issuer initially appoints the Trustee to act as the Registrar and Paying Agent (at its office indicated in the definition of Corporate Trust Office of the Trustee in Section 1.01 hereof) and to act as Custodian with respect to the Global Notes.

The Company shall be responsible for making calculations called for under the Notes and this Indenture, including but not limited to determination of interest, additional interest, redemption price, Applicable Premium, premium, if any, and any other amounts payable on the Notes. The Company will make the calculations in good faith, and absent manifest error, its calculations will be final and binding on the Holders. The Company will provide a schedule of its calculations to the Trustee when requested by the Trustee, and the Trustee is entitled to rely conclusively on the accuracy of the Company's calculations without independent verification. The Trustee shall forward the Company's calculations to any Holder of the Notes upon written request of such Holder.

Section 2.04 *Paying Agent to Hold Money in Trust*.

The Issuer will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal of, premium, if any, on, and interest, if any, on, the Notes, and will notify the Trustee of any default by the Issuer in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuer at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) will have no further liability for the money. If the Company or a Subsidiary acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Company or the Issuer, the Trustee will serve as Paying Agent for the Notes.

Section 2.05 *Holder Lists*.

The Trustee will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders. If the Trustee is not the Registrar, the Issuer will furnish to the Trustee at least seven Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of the Notes.

Section 2.06 *Transfer and Exchange*.

(a) *Transfer and Exchange of Global Notes for Definitive Notes*. A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Issuer for Definitive Notes if (and, unless the Issuer so agrees, only if):

(1) the Depositary (A) notifies the Issuer that it is unwilling or unable to continue to act as Depositary or (B) has ceased to be a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Issuer within 90 days after the date of such notice from the Depositary;

(2) the Issuer, at its option but subject to the Depositary's requirements, notifies the Trustee in writing that it elects to cause the issuance of the Definitive Notes; *provided* that in no event shall the Regulation S Temporary Global Notes be exchanged for Definitive Notes prior to (a) the expiration of the Restricted Period and (b) the receipt of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act; or

(3) there has occurred and is continuing an Event of Default and the Depositary notifies the Trustee of its decision to exchange such Global Note for Definitive Notes.

Upon the occurrence of any of the preceding events in (1), (2) or (3) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to Sections 2.06, 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a); *however*, subject to the foregoing, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b), (c) or (d) hereof. In connection with any proposed transfer of Definitive Notes in exchange for Global Notes, the Company or DTC shall be required to provide or cause to be

provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(b) *Transfer and Exchange of Beneficial Interests in the Global Notes*. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Except for the transfer of beneficial interests in the Regulation S Temporary Global Note for beneficial interests in the Regulation S Permanent Global Note as provided in Section 2.01(c), transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Note*. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however*, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Temporary Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above.

provided that in no event shall Definitive Notes be issued upon the transfer or exchange of beneficial interests in the Regulation S Temporary Global Note prior to (A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act.

Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(g) hereof.

(3) *Transfer of Beneficial Interests to Another Restricted Global Note.* A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Temporary Global Note or the Regulation S Permanent Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof.

(4) *Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note.* A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and:

(A) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this Section 2.06(b)(4) hereof, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to this Section 2.06(b)(4) at a time when an Unrestricted Global Note has not yet been issued, the Issuer shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) *Transfer or Exchange of Beneficial Interests for Definitive Notes.*

Beneficial Interests in Global Notes may only be exchanged for Definitive Notes as provided in Section 2.06(a) hereof and upon compliance with the further requirements set forth below.

(1) *Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes.* If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable;

(F) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(G) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Beneficial Interests in Regulation S Temporary Global Note to Definitive Notes.* Notwithstanding Section 2.06(c)(1)(A) and (C) hereof, a beneficial interest in the Regulation S Temporary Global Note may not be exchanged for a Definitive Note or transferred to a Person who takes delivery thereof in the form of a Definitive Note prior to (A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act, except in the case of a transfer pursuant to an exemption from the registration requirements of the Securities Act other than Rule 903 or Rule 904.

(3) *Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes.* A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this Section 2.06(c)(3), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(4) *Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes.* If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Issuer will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(4) will be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(4) will not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests.*

(1) *Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes.* If any Holder of a Restricted Definitive Note proposes to exchange such Note for

a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable;

(F) if such Restricted Definitive Note is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(G) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee will cancel the Restricted Definitive Note, and will increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the 144A Global Note, and in the case of clause (C) above, the Regulation S Global Note.

(2) *Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a

Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) the Registrar receives the following:

(i) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this Section 2.06(d)(2), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) *Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraph (2) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer

in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(2) *Restricted Definitive Notes to Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if:

(A) the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this Section 2.06(e)(2), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *Legends.* The following legends will appear on the face of all Global Notes and Definitive Notes issued hereunder unless specifically stated otherwise in the applicable provisions hereof.

(1) *Private Placement Legend*.

(A) Except as permitted by subparagraph (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) (A "QIB"), OR (B) IT IS NOT A U.S. PERSON, IS NOT ACQUIRING THIS NOTE FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT, (2) AGREES THAT IT WILL NOT, PRIOR TO THE DATE THAT IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES AND THE LAST DATE ON WHICH THE ISSUER, OR ANY OF ITS AFFILIATES, WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF SUCH NOTE), RESELL OR OTHERWISE TRANSFER THIS NOTE EXCEPT (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF OR (B) TO A PERSON WHOM THE HOLDER REASONABLY BELIEVES IS A QIB PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (C) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (D) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND, IN EACH CASE, IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IN CONNECTION WITH ANY TRANSFER OF THIS NOTE OR ANY INTEREST HEREIN WITHIN THE TIME PERIOD REFERRED TO ABOVE, THE HOLDER MUST COMPLETE AND SUBMIT TO THE TRUSTEE THE CERTIFICATE SPECIFIED IN THE INDENTURE RELATING TO THE

MANNER OF SUCH TRANSFER (THE FORM OF WHICH CERTIFICATE IS AN EXHIBIT TO THE INDENTURE). BY ITS ACQUISITION OF THIS NOTE, THE HOLDER WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THIS NOTE (OR ANY INTEREST IN THIS NOTE) CONSTITUTES THE ASSETS OF AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (''ERISA''), A PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE ''CODE''), OR ANY GOVERNMENTAL PLAN, CHURCH PLAN, OR NON-U.S. PLAN SUBJECT TO OTHER FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE ("SIMILAR LAWS"), OR AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE ''PLAN ASSETS'' OF SUCH PLAN, ACCOUNT OR ARRANGEMENT, OR (2) THE ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THIS NOTE (OR ANY INTEREST IN THIS NOTE) WILL NOT CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A SIMILAR VIOLATION UNDER ANY APPLICABLE SIMILAR LAWS. AS USED HEREIN, THE TERMS ''OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY RULE 902 OF REGULATION S UNDER THE SECURITIES ACT."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(4), (c)(3), (c)(4), (d)(2), (d)(3), (e)(2) or (e)(3) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Note Legend*. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE ISSUER.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR

DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(3) *Regulation S Temporary Global Note Legend.* The Regulation S Temporary Global Note will bear a Legend in substantially the following form:

"THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR A REGULATION S PERMANENT GLOBAL NOTE, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN).

(g) *Cancellation and/or Adjustment of Global Notes.* At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or beneficial interests in other Global Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(h) *General Provisions Relating to Transfers and Exchanges.*

(1) To permit registrations of transfers and exchanges, the Issuer will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar's request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 3.09, 4.10, 4.15 and 9.04 hereof).

(3) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits hereunder, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(4) Neither the Registrar nor the Issuer will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding interest payment date.

(5) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Issuer may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Issuer shall be affected by notice to the contrary.

(6) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(7) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

(8) The Trustee shall have no responsibility or obligation to any beneficial owner of a Global Note, a member of, or a participant in the Depositary or other Person with respect to the accuracy of the records of the Depositary or its nominee or of any participant or member thereof, with respect to any ownership interest in the Notes or with respect to the delivery to any participant, member, beneficial owner or other Person (other than the Depositary) of any notice (including any notice of optional redemption) or the payment of any amount, under or with respect to such Notes. Neither the Trustee nor any Agent shall have responsibility for any actions taken or not taken by the Depositary.

(9) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among Depositary participants, members or beneficial owners in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

Section 2.07 *Replacement Notes*.

If any mutilated Note is surrendered to the Trustee or the Issuer and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Issuer will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's requirements are met. An indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Issuer to protect the Issuer, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Issuer may charge for its expenses in replacing a Note.

Every replacement Note is an additional obligation of the Issuer and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 *Outstanding Notes*.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Issuer or an Affiliate of the Issuer holds the Note; *however*, Notes held by the Company or a Subsidiary of the Company shall not be deemed to be outstanding for purposes of Section 3.07(a) hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, the Issuer, a Subsidiary or an Affiliate of any thereof) holds, by 11:00 a.m. Eastern Time on a redemption date or other maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 *Treasury Notes*.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Issuer or any Guarantor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Issuer or any Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Notes that a Responsible Officer of the Trustee actually knows are so owned will be so disregarded.

Section 2.10 *Temporary Notes*.

Until certificates representing Notes are ready for delivery, the Issuer may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Issuer considers appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Issuer will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11 *Cancellation*.

The Issuer at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else will cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will destroy canceled Notes in accordance with its customary procedures (subject to the record retention requirement of the Exchange Act). The Issuer may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12 *Defaulted Interest.*

If the Issuer defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date (except that a special record date shall not be required with respect to payments made within an applicable grace period), in each case at the rate provided in the Notes and in Section 4.01 hereof. The Issuer will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Issuer will fix or cause to be fixed each such special record date and payment date; *provided* that no such special record date may be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Issuer (or, upon the written request of the Issuer, the Trustee in the name and at the expense of the Issuer) will send or cause to be sent, in accordance with the Applicable Procedures, to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13 *Computation of Interest.*

Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Section 2.14 *CUSIP Numbers.*

The Issuer in issuing the Notes may use CUSIP or ISIN numbers (if then generally in use) and if the Issuer does, the Trustee shall use CUSIP or ISIN numbers in notices of redemption or exchange or in an offer to purchase as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness of such numbers either

as printed on the Notes or as contained in any notice of redemption or exchange or in an offer to purchase and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption or exchange or offer to purchase shall not be affected by any defect in or omission of such numbers. The Issuer will promptly notify the Trustee in writing of any change in the "CUSIP" numbers.

ARTICLE 3
REDEMPTION AND PREPAYMENT

Section 3.01 *Notices to Trustee*.

If the Issuer elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it must furnish to the Trustee, at least five Business Days prior to the sending of notice of a redemption (unless a shorter period is acceptable to the Trustee), an Officers' Certificate setting forth:

(a) the clause of this Indenture pursuant to which the redemption shall occur;

(b) the redemption date;

(c) the principal amount of Notes to be redeemed; and

(d) the redemption price (if then determined and otherwise the method of determination).

Section 3.02 *Selection of Notes to Be Redeemed*.

If less than all of the Notes are to be redeemed at any time, the Trustee will select Notes for redemption on a *pro rata* basis (or, in the case of Notes issued in global form pursuant to Article 2 hereof, by lot or by such method as DTC or its nominee or successor may require or, where such nominee or successor is the Trustee, a method that most nearly approximates *pro rata* selection as the Trustee deems fair and appropriate unless otherwise required by law) unless otherwise required by law or applicable stock exchange or depositary requirements. Notwithstanding the foregoing, no Notes of $2,000 or less can be redeemed in part.

In the event of partial redemption by lot, the particular Notes to be redeemed will be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption date by the Trustee from the outstanding Notes not previously called for redemption.

The Trustee will promptly notify the Issuer in writing of the Notes selected for redemption and, in the case of any Note selected for partial redemption, the principal amount thereof to be redeemed. Notes and portions of Notes selected will be in minimum denominations of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed, the entire outstanding amount of Notes held by such Holder shall be redeemed. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption also apply to portions of Notes called for redemption.

Section 3.03 *Notice of Redemption*.

At least 30 days but not more than 60 days before a redemption date, the Issuer will mail or cause to be mailed, by first class mail, or send electronically in accordance with the Applicable Procedures if DTC is the recipient, a notice of redemption to each Holder whose Notes are to be redeemed (with a copy to the Trustee), except that redemption notices may be sent more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 11 hereof.

The notice will identify the Notes to be redeemed (including CUSIP number, if applicable) and will state:

(a) the redemption date;

(b) the redemption price (if then determined and otherwise the method of determination);

(c) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued in the name of the Holder thereof upon cancellation of the original Note;

(d) the name and address of the Paying Agent;

(e) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(f) that, unless the Issuer defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(g) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed;

(h) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes; and

(i) any conditions precedent to the redemption.

At the Issuer's request, the Trustee will give the notice of redemption in the Issuer's name and at the Issuer's expense; *provided, however*, that the Issuer shall have delivered to the Trustee, at least five Business Days before the notice of redemption is required to be sent or caused to be sent to Holders pursuant to this Section 3.03 (unless a shorter notice shall be agreed to by the Trustee in writing), an Officers' Certificate requesting that the Trustee give such notice and attaching the notice to be given which shall set forth the information to be stated in such notice as provided in the preceding paragraph.

Notice of any redemption may at the Issuer's discretion, be subject to one or more conditions precedent, including, but not limited to, the completion of any related Equity Offering. If such redemption is subject to the satisfaction of one or more conditions precedent, the related notice shall describe each such condition, and if applicable, shall state that, in the Issuer's discretion, the date of redemption may be delayed until such time as any or all such conditions shall be satisfied or waived (provided that in no event shall such date of redemption be delayed to a date later than 60 days after the date on which such notice was sent), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the date of redemption, or by the date of redemption as so delayed. If any such condition has not been satisfied, the Issuer will provide notice to the Trustee no later than the Business Day prior to the redemption date (unless a shorter period shall be satisfactory to the Trustee) that such condition precedent has not been satisfied, the notice of redemption is rescinded or delayed and the redemption subject to the satisfaction of such condition precedent shall not occur or shall be delayed. The Trustee shall promptly send a copy of such notice to the Holders of the Notes using the same method as the original notice was sent.

Section 3.04 *Effect of Notice of Redemption*.

Once notice of redemption is sent in accordance with Section 3.03 hereof, Notes called for redemption become due and payable (subject to the satisfaction of any conditions to the redemption as provided in Section 3.03 hereof) on the redemption date at the redemption price.

Section 3.05 *Deposit of Redemption*.

No later than 11:00 a.m. Eastern Time on the redemption date, the Issuer will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption price of, and accrued interest, if any, on, all Notes to be redeemed on that date. The Trustee or the Paying Agent will promptly return to the Issuer any money deposited with the Trustee or the Paying Agent by the Issuer in excess of the amounts necessary to pay the redemption price of, and accrued interest, if any, on, all Notes to be redeemed.

If the Issuer complies with the provisions of the preceding paragraph, on and after the redemption date, interest will cease to accrue on the Notes or the portions of Notes called for redemption. If a Note is redeemed on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest, if any, shall be paid to the Person in whose name such Note was registered at the close of business on such record date and in accordance with Applicable Procedures. If any Note called for redemption is not so paid upon surrender for redemption or purchase because of the failure of the Issuer to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06 *Notes Redeemed in Part*.

Upon surrender of a Note that is redeemed in part, the Issuer will issue (or cause to be transferred by book entry) and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Issuer a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

Section 3.07 *Optional Redemption*.

(a) At any time prior to February 15, 2021, the Issuer may, on any one or more occasions, redeem up to 35% of the aggregate principal amount of Notes issued under this Indenture, upon notice as provided in this Indenture, at a redemption price equal to 107.000% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to the date of redemption (subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date), with an amount of cash not greater than the net cash proceeds of one or more Equity Offerings, *provided* that:

(1) at least 65% of the aggregate principal amount of Notes originally issued under this Indenture on the date of this Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 180 days of the date of the closing of such Equity Offering.

(b) At any time prior to February 15, 2021, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon notice as provided in this Indenture, at a redemption price equal to:

(1) 100% of the principal amount of the Notes redeemed, plus

(2) the Applicable Premium,

and accrued and unpaid interest, if any, to the date of redemption (subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date).

(c) Except pursuant to Section 3.07(a), (b) or (e) hereof or Section 4.15(e) hereof, the Notes will not be redeemable at the Issuer's option prior to February 15, 2021. The Issuer will not be, however, prohibited from acquiring the Notes by means other than a redemption, whether pursuant to a tender offer, open market purchase or otherwise.

(d) On or after February 15, 2021, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon notice as provided in this Indenture, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on February 15 of the years indicated below, subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Percentage
2021	105.250%
2022	103.500%
2023	101.750%
2024 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(e) The Issuer may redeem all (but not a portion of) the Notes when permitted by, and pursuant to the conditions in, Section 4.15(e) hereof.

(f) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08 *Mandatory Redemption*.

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Section 3.09 *Offer to Purchase by Application of Excess Proceeds*.

In the event that, pursuant to Section 4.10 hereof, the Issuer is required to commence an Asset Sale Offer to all Holders to purchase Notes, it will follow the procedures specified below.

The Asset Sale Offer shall be made to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase, prepay or redeem with the proceeds of sales of assets. The Asset Sale Offer will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "*Offer Period*"). No later than three Business Days after the termination of the Offer Period (the "*Purchase Date*"), the Issuer will apply all Excess Proceeds (the *"Offer Amount"*) to the purchase of Notes and such other *pari passu* Indebtedness (on a *pro rata* basis based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Sale Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

Upon the commencement of an Asset Sale Offer, the Issuer will send, by first class mail, or send electronically in accordance with the Applicable Procedures if DTC is the recipient, a notice to each of the Holders, with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The notice, which will govern the terms of the Asset Sale Offer, will state:

(a) that the Asset Sale Offer is being made pursuant to this Section 3.09 and Section 4.10 hereof and the length of time the Asset Sale Offer will remain open;

(b) the Offer Amount, the purchase price and the Purchase Date;

(c) that any Note not tendered or accepted for payment will continue to accrue interest;

(d) that, unless the Issuer defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer will cease to accrue interest on and after the Purchase Date;

(e) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer may elect to have Notes purchased in minimum denominations of $2,000 or an integral multiple of $1,000 in excess thereof;

(f) that Holders electing to have Notes purchased pursuant to any Asset Sale Offer will be required to comply with Applicable Procedures, or for Definitive Notes to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Issuer, a depositary, if appointed by the Issuer, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(g) that Holders will be entitled to withdraw their election pursuant to Applicable Procedures, or for Definitive Notes if the Issuer, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, electronic image scan, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(h) that, if the aggregate principal amount of Notes surrendered by Holders thereof exceeds the Offer Amount allocated to the purchase of Notes in the Asset Sale Offer, the Trustee will select the Notes to be purchased on a *pro rata* basis (except that any Notes represented by a Global Note shall be selected by such method as DTC or its nominee or successor may require, unless otherwise required by law) based on the principal amount of Notes surrendered (with such adjustments as may be deemed appropriate by the Company so that only Notes in minimum denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased); and

(i) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer).

On or before the Purchase Date, the Issuer will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the Notes or portions thereof tendered pursuant to the Asset Sale Offer and required to be purchased pursuant to this Section 3.09 and Section 4.10 hereof, or if Notes in an aggregate principal amount less than the Offer Amount allocated to the purchase of Notes in the Asset Sale Offer have been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating that such Notes or portions thereof were accepted for payment by the

Issuer in accordance with the terms of this Section 3.09. The Issuer, the depositary for the Asset Sale Offer or the Paying Agent, as the case may be, will promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Issuer for purchase, and the Issuer will promptly issue a new Note, and the Trustee, upon written request from the Issuer, will authenticate and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Issuer to the Holder thereof. The Issuer or the Company will publicly announce the results of the Asset Sale Offer on the Purchase Date.

ARTICLE 4
COVENANTS

Section 4.01 *Payment of Notes*.

The Issuer will pay or cause to be paid the principal of, premium, if any, on, and interest, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest, if any, will be considered paid on the date due if the Paying Agent, if other than the Issuer or a Subsidiary of the Company, holds as of 11:00 a.m. Eastern Time on the due date money deposited by the Issuer in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest, if any, then due.

Section 4.02 *Maintenance of Office or Agency*.

The Issuer will maintain in the United States of America (which office or agency, if Definitive Notes have been issued, shall be in the State of New York), an office or agency where Notes may be surrendered for registration of transfer or for exchange, or for payment at redemption, purchase or maturity, and where notices and demands to or upon the Issuer in respect of the Notes and this Indenture may be served. The Issuer will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer fails to maintain any such required office or agency or fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, except with respect to an office or agency in the State of New York for Definitive Notes.

The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided*, *however*, that no such designation or rescission will in any manner relieve the Issuer of its obligation to maintain an office or agency as provided above for such purposes. The Issuer will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Issuer hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Issuer in accordance with Section 2.03 hereof.

Section 4.03 *Reports*.

(a) So long as any Notes are outstanding, the Company will furnish to the Holders of Notes and the Trustee, or make available on the website referred to below:

(1) no later than 120 days after December 31, 2018, and not later than 90 days after the end of each fiscal year thereafter, (a) audited financial statements prepared in accordance with GAAP (with footnotes to such financial statements), including the audit report on such financial statements issued by the Company's certified independent accountants, and (b) a "Management's Discussion and Analysis of Financial Condition and Results of Operations" consistent with the presentation thereof in the Offering Memorandum;

(2) no later than 60 days after each of March 31, 2018, June 30, 2018 and September 30, 2018, and, beginning with the calendar quarter ending March 31, 2019, no later than 45 days after the end of each of the first three calendar quarters of each fiscal year, (a) unaudited quarterly financial statements prepared in accordance with GAAP (with condensed footnotes to such financial statements consistent with past practice), and (b) a "Management's Discussion and Analysis of Financial Condition and Results of Operations" consistent with the presentation thereof in the Offering Memorandum (but omitting the discussion included in the "Overview" section); and

(3) within ten Business Days after the occurrence of any of the following events, a current report that contains a brief summary of the material terms, facts and/or circumstances involved to the extent not otherwise publicly disclosed: (a) entry by the Company or a Restricted Subsidiary into an agreement outside the ordinary course of business that is material to the Company and its Subsidiaries, taken as a whole, any material amendment thereto or termination of any such agreement other than in accordance with its terms (excluding, for the avoidance of doubt, employee compensatory or benefit agreements or plans), (b) completion of a merger of the Company or the Issuer with or into another Person or a material acquisition or disposition of assets by the Company or a Restricted Subsidiary outside the ordinary course of business, (c) the institution of, or material development under, bankruptcy proceedings under the U.S. Bankruptcy Code or similar proceedings under state or federal law with respect to the Company, the Issuer or a Significant Subsidiary, or (d) the Company's or the Issuer's incurring Indebtedness outside the ordinary course of business that is material to the Company or the Issuer (other than under a Credit Facility or other arrangement which has been described in the Offering Memorandum or borrowings under a Credit Facility that has otherwise been disclosed previously), or a triggering event that causes the increase or acceleration of any such obligation and, in any such case, the consequences thereof are material to the Company or any Restricted Subsidiary.

Notwithstanding the foregoing, the above requirements of Section 4.03(a) may be satisfied by the filing with the SEC for public availability by any parent company, the Company or a Subsidiary of the Company of a Registration Statement on Form S-1, Annual Report on Form 10-K, Quarterly Report on Form 10-Q or Current Report on Form 8-K, containing the information required by Section 4.03(a) or any part thereof with respect to the Company or such

parent, as applicable, provided that any such financial information of such parent contains information reasonably sufficient to identify the material differences, if any, between the financial information of such parent, on the one hand, and the Company and its Subsidiaries on a stand-alone basis, on the other hand.

(b) For the avoidance of doubt, (i) the above information provided pursuant to Section 4.03(a) will not be required to contain the separate financial information for Guarantors as contemplated by Rule 3-10 of Regulation S-X or any financial statements of unconsolidated subsidiaries or 50% or less owned persons as contemplated by Rule 3-09 of Regulation S-X or any schedules required by Regulation S-X, or in each case any successor provisions and (ii) such information shall not be required to comply with Regulation G under the Exchange Act or Item 10(e) of Regulation S-K with respect to any non-GAAP financial measures contained therein. At any time that any of the Company's Significant Subsidiaries are Unrestricted Subsidiaries, then the annual and quarterly financial information required by the preceding paragraph will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in "Management's Discussion and Analysis of Financial Condition and Results of Operations," of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.

(c) Any and all Defaults or Events of Default arising from a failure to furnish in a timely manner any financial information required by this covenant shall be deemed cured (and the Company shall be deemed to be in compliance with this Section 4.03) upon furnishing such financial information as contemplated by this Section 4.03 (but without regard to the date on which such financial statement or report is so furnished); *provided* that such cure shall not otherwise affect the rights of the Holders under Article 6 hereof if the principal of, premium, if any, on, and interest, if any, on, the Notes have been accelerated in accordance with the terms of this Indenture and such acceleration has not been rescinded or cancelled prior to such cure.

(d) In addition, the Company (or any parent guarantor of the Notes) will hold and participate in conference calls with the Holders of the Notes, beneficial owners of the Notes, and bona fide prospective investors to discuss the financial information required to be furnished pursuant to clauses (1) and (2) above no later than ten Business Days after distribution of such financial information, unless, in each case, the Company reasonably determines that to do so would conflict with applicable securities laws, including in connection with any pending offering of securities. The Company shall be permitted to combine this conference call with any other conference call for other debt or equity holders or lenders. The Company shall, no later than three Business Days prior to the date of the conference calls required to be held in accordance with this paragraph, announce the date and time of such conference calls and all information necessary to enable Holders of Notes to obtain access to such calls.

(e) So long as any Notes are outstanding, the Company will also maintain a website to which the Holders of Notes and prospective investors are given access (which may be password protected) and to which all of the reports required by this "Reports" covenant are posted, unless they are otherwise publicly filed with the SEC, and the posting of such reports to such website shall satisfy the above reporting requirements.

(f) In addition, the Company shall furnish to Holders of Notes, prospective investors, broker-dealers and securities analysts, upon their request, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act so long as the Notes are not freely transferable under the Securities Act.

(g) Delivery of reports, information and documents to the Trustee is for informational purposes only and its receipt of such reports, information and documents shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer's, any Guarantor's or any other person's compliance with any of its covenants under this Indenture or the Notes (as to which the Trustee is entitled to rely exclusively on Officers' Certificates). The delivery of reports to the Trustee may be made by electronic transmission to the Trustee. Any reports publicly filed with the SEC that are publicly available shall be deemed to be filed with the trustee; provided, however that the Trustee shall have no obligation whatsoever to determine whether or not such information, documents or reports have been so filed.

(h) The Trustee shall not be obligated to monitor or confirm, on a continuing basis or otherwise, the Issuer's, any Guarantor's or any other person's compliance with the covenants described herein or with respect to any reports, information or other documents posted on a website or filed with the SEC under this Indenture, or participate in any conference calls.

Section 4.04 *Compliance Certificate.*

(a) The Company shall deliver to the Trustee, within 90 days after the end of each fiscal year, an Officers' Certificate that need not comply with Section 12.03 stating that a review of the activities of the Company, the Issuer and their Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company and the Issuer have kept, observed, performed and fulfilled their obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Company and the Issuer have kept, observed, performed and fulfilled each and every covenant contained in this Indenture and are not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company and the Issuer are taking or propose to take with respect thereto).

(b) So long as any of the Notes are outstanding, the Company will deliver to the Trustee, within 30 days after any Officer of the Company becomes aware of any Default or Event of Default, a written statement specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto.

Section 4.05 *Taxes*.

The Company will pay, and will cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders of the Notes.

Section 4.06 *Stay, Extension and Usury Laws*.

The Issuer and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Issuer and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 *Restricted Payments*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company and other than dividends or distributions payable to the Company or a Restricted Subsidiary of the Company);

(2) repurchase, redeem or otherwise acquire or retire for value (including in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect parent of the Company;

(3) make any payment on or with respect to, or repurchase, redeem, defease or otherwise acquire or retire for value any Indebtedness of the Issuer, the Company or any other Guarantor that is contractually subordinated to the Notes or to any Note Guarantee (excluding any intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries), except a payment of interest or principal at or within one year of the Stated Maturity thereof; or

(4) make any Restricted Investment (all such payments and other actions set forth in clauses (1) through (4) of this Section 4.07(a) being collectively referred to as "*Restricted Payments*"),

unless, at the time of and after giving effect to such Restricted Payment:

(A) no Payment Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(B) the Company would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment

had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof; and

(C) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries since the date of this Indenture (excluding Restricted Payments permitted by clauses (2) through (12) of Section 4.07(b) hereof), is less than the sum, without duplication, of:

(i) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from January 1, 2018 to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); *plus*

(ii) 100% of the aggregate net cash proceeds and the Fair Market Value of property or securities other than cash (including Capital Stock of Persons, other than the Company or a Subsidiary of the Company, engaged primarily in the Oil and Gas Business or assets used in the Oil and Gas Business), in each case received by the Company since the date of this Indenture as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Company (other than (i) Disqualified Stock, (ii) net cash proceeds received from the first bona fide underwritten public offering of Equity Interests of the Company after the date of this Indenture equal to any amount distributed pursuant to clause (10) of the next succeeding paragraph and (iii) net cash proceeds received from an issuance or sale of such Equity Interests to a Subsidiary of the Company or an employee stock ownership plan, option plan or similar trust to the extent such sale to an employee stock ownership plan, option plan or similar trust is financed by loans from or Guaranteed by the Company or any Restricted Subsidiary (unless such loans have been repaid with cash on or prior to the date of determination)); *plus*

(iii) to the extent not already included in Consolidated Net Income for such period, if any Restricted Investment that was made by the Company or any of its Restricted Subsidiaries after the date of this Indenture is sold for cash (other than to the Company or any Subsidiary of the Company) or otherwise cancelled, liquidated or repaid for cash, the cash return of capital with respect to such Restricted Investment resulting from such sale, liquidation or repayment (less any out-of-pocket costs incurred in connection with any such sale); *plus*

(iv) the amount by which Indebtedness of the Company or its Restricted Subsidiaries is reduced on the Company's balance sheet upon the conversion or exchange (other than by a Subsidiary of the

Company) subsequent to the date of this Indenture of any such Indebtedness for Equity Interests (other than Disqualified Stock) of the Company (less the amount of any cash, or the Fair Market Value of any other property (other than such Equity Interests), distributed by the Company upon such conversion or exchange and excluding the net cash proceeds from the conversion or exchange financed, directly or indirectly, using funds borrowed from the Company or any Subsidiary), together with the net proceeds, if any, received by the Company or any of its Restricted Subsidiaries upon such conversion or exchange; *plus*

(v) to the extent that any Unrestricted Subsidiary of the Company designated as such after the date of this Indenture is redesignated as a Restricted Subsidiary pursuant to the terms of this Indenture or is merged or consolidated with or into, or transfers or otherwise disposes of all of substantially all of its properties or assets to or is liquidated into, the Company or a Restricted Subsidiary after the date of this Indenture, the lesser of, as of the date of such redesignation, merger, consolidation, transfer, disposition or liquidation, (A) the Fair Market Value of the Company's Restricted Investment in such Subsidiary (or of the properties or assets disposed of, as applicable) as of the date of such redesignation, merger, consolidation, transfer, disposition or liquidation and (B) such Fair Market Value as of the date on which such Subsidiary was originally designated as an Unrestricted Subsidiary after the date of this Indenture; *plus*

(vi) any dividends or distributions received in cash by the Issuer, the Company or other Guarantor after the date of this Indenture from an Unrestricted Subsidiary of the Company, to the extent that such dividends or distributions were not otherwise included in the Consolidated Net Income of the Company for such period.

(b) The provisions of Section 4.07(a) hereof will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend, distribution or redemption payment would have complied with the provisions of this Indenture;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company) of, Equity Interests of the Company (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to the Company, with a sale or contribution being deemed to be substantially concurrent if the applicable Restricted Payment occurs within 120 days thereof; *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will not be considered to be net proceeds of Equity Interests for purposes of clause (4)(C)(ii) of Section 4.07(a) hereof and will not be considered to be net cash proceeds from an Equity Offering for purposes of Section 3.07 hereof;

(3) the payment of any dividend or distribution by a Restricted Subsidiary of the Company to the holders of its Equity Interests on a pro rata basis or basis more favorable to the Company and its Restricted Subsidiaries;

(4) the repurchase, redemption, defeasance or other acquisition or retirement for value of Indebtedness of the Issuer, the Company or any other Guarantor that is contractually subordinated to the Notes or to any Note Guarantee with the net cash proceeds from a substantially concurrent incurrence of Permitted Refinancing Indebtedness;

(5) repurchases of Indebtedness of the Issuer, the Company or any other Guarantor that is contractually subordinated in right of payment to the Notes or a Note Guarantee at a purchase price not greater than (i) 101% of the principal amount of such subordinated Indebtedness in the event of a Change of Control or (ii) 100% of the principal amount of such subordinated Indebtedness in the event of an Asset Sale, in each case plus accrued and unpaid interest thereon, to the extent required by the terms of such Indebtedness, but only if:

(A) in the case of a Change of Control, the Issuer has first complied with and fully satisfied its obligations under Section 4.15 hereof; or

(B) in the case of an Asset Sale, the Issuer has complied with and fully satisfied its obligations in accordance with the covenant in Section 4.10 hereof;

(6) so long as no Payment Default or Event of Default has occurred and is continuing, the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company or any direct or indirect parent thereof held by any current or former officer, director or employee (or permitted transferees thereof) of the Company or any of its Restricted Subsidiaries (or any direct or indirect parent company thereof) pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement, compensation agreement or arrangement or similar agreement; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed $10.0 million in any twelve-month period (with unused amounts in any twelve-month period being carried over to succeeding twelve-month periods) and in addition, cancellation of Indebtedness owing to the Company from any current or former officer, director or employee (or any permitted transferees thereof) of the Company or any of its Restricted Subsidiaries (or any direct or indirect parent company thereof), in connection with a repurchase of Equity Interests of the Company from such Persons will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provisions of this Indenture;

(7) the repurchase of Equity Interests deemed to occur upon the exercise of stock or other equity options to the extent such Equity Interests represent a portion of the exercise price of those stock or other equity options and any repurchase or other acquisition of Equity Interests made in lieu of withholding taxes in connection with any exercise or exchange of stock options, warrants, incentives or other rights to acquire Equity Interests;

(8) so long as no Payment Default or Event of Default has occurred and is continuing or would be caused thereby, the declaration and payment of regularly scheduled or accrued dividends or distributions to holders of any class or series of Disqualified Stock of the Company or any Preferred Stock of any Restricted Subsidiary of the Company issued on or after the date of this Indenture in accordance with the Fixed Charge Coverage Ratio Test described in Section 4.09(a) hereof;

(9) payments of cash, dividends, distributions, advances or other Restricted Payments by the Company or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants or (ii) the conversion or exchange of Capital Stock of any such Person;

(10) the payment of dividends or distributions on Equity Interests of the Company following the first bona fide underwritten public offering of Equity Interests of the Company after the date of this Indenture in an amount up to 6.0% per annum of the net cash proceeds received by or contributed to the Company in or from any such public offering;

(11) dividends or other distributions on the Company's Series A Convertible Preferred Stock, including payments of up to $75.0 million made in respect of future dividends in connection with the repurchase or exchange of Series A Preferred Stock; and

(12) so long as no Payment Default or Event of Default has occurred and is continuing or would be caused thereby, other Restricted Payments in an aggregate amount not to exceed $75.0 million since the date of this Indenture.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment (or, in the case of a dividend or distribution, on the date of declaration) of the asset(s) or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this Section 4.07 will be determined, in the case of amounts of $25.0 million or more, by the Board of Directors of the Company whose resolution with respect thereto will be delivered to the Trustee. For purposes of determining compliance with the this Section 4.07, in the event that a Restricted Payment meets the criteria of more than one of the categories of Restricted Payments described in the preceding clauses (1) through (12) of this Section 4.07, or is permitted pursuant to the first paragraph of this Section 4.07, the Company will be permitted to classify (or later classify or reclassify in whole or in part in its sole discretion) such Restricted Payment or other such transaction (or portion thereof) on the date made or later reclassify such Restricted Payment or other such transaction (or portion thereof) in any manner that complies with this Section 4.07.

Section 4.08 *Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Company or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Company or any of its Restricted Subsidiaries; *provided* that the priority that any series of Preferred Stock of a Restricted Subsidiary has in receiving dividends, distributions or liquidating distributions before dividends, distributions or liquidating distributions are paid in respect of common stock of such Restricted Subsidiary shall not constitute a restriction on the ability to make dividends or distributions on Capital Stock for purposes of this Section 4.08;

(2) make loans or advances to the Company or any of its Restricted Subsidiaries (it being understood that the subordination of loans or advances made to the Company or any of its Restricted Subsidiaries to other Indebtedness incurred by the Company or any of its Restricted Subsidiaries shall not be deemed a restriction on the ability to make loans or advances); or

(3) sell, lease or transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

(b) However, the restrictions in Section 4.08(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Existing Indebtedness and the Credit Agreement as in effect on the date of this Indenture and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the encumbrances or restrictions contained in the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not in the good faith judgment of an Officer of the Company materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the date of this Indenture;

(2) this Indenture, the Notes and the Note Guarantees;

(3) agreements governing other Indebtedness permitted to be incurred under Section 4.09 hereof and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the encumbrances or restrictions contained therein are, in the good faith judgment of an Officer of the Company, either (a) not materially more restrictive, taken as a whole, than

those contained in this Indenture, the Notes and the Note Guarantees or the Credit Agreement as in effect on the date of this Indenture or (b) not reasonably likely to have a material adverse effect on the ability of the Company to make required payments on the Notes;

(4) applicable law, rule, regulation, permit, license, order or similar restriction;

(5) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, and any amendments, restatements, modifications, renewals, extensions, supplements, increases, refundings, replacements or refinancings thereof; *provided*, that the encumbrances and restrictions in any such amendments, restatements, modifications, renewals, extensions, supplements, increases, refundings, replacements or refinancings are, in the good faith judgment of an Officer of the Company, no more restrictive, taken as a whole, than those in effect on the date of the acquisition;

(6) customary non-assignment provisions in Hydrocarbon purchase and sale or exchange agreements or similar operational agreements or in licenses, easements or leases, in each case, entered into in the ordinary course of business;

(7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in clause (3) of Section 4.08(a) hereof;

(8) any agreement for the sale or other disposition of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending its sale or other disposition;

(9) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are, in the good faith judgment of an Officer of the Company, not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(10) Liens permitted to be incurred under the provisions of Section 4.12 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) provisions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment) entered into with the approval of the Company's Board of Directors, which limitation is applicable only to the assets that are the subject of such agreements;

(12) encumbrances or restrictions on cash or other deposits or net worth imposed by customers or lessors under contracts or leases entered into in the ordinary course of business;

(13) customary encumbrances and restrictions contained in agreements of the types described in the definition of "Permitted Business Investments;"

(14) agreements governing Hedging Obligations; and

(15) any encumbrance or restriction with respect to an Unrestricted Subsidiary pursuant to or by reason of an agreement that the Unrestricted Subsidiary is a party to or entered into before the date on which such Unrestricted Subsidiary became a Restricted Subsidiary; *provided* that such agreement was not entered into in anticipation of the Unrestricted Subsidiary becoming a Restricted Subsidiary and any such encumbrance or restriction does not extend to any assets or property of the Company or any other Restricted Subsidiary other than the assets and property of such Unrestricted Subsidiary.

Section 4.09 *Incurrence of Indebtedness and Issuance of Preferred Stock*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, create, incur, issue, assume, Guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "*incur*") any Indebtedness (including Acquired Debt), and the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any Preferred Stock; *provided*, *however*, that the Company may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, and the Issuer and any Restricted Subsidiary that is a Guarantor may incur Indebtedness (including Acquired Debt) or issue Preferred Stock, if the Fixed Charge Coverage Ratio for the Company's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or such Preferred Stock is issued, as the case may be, would have been at least 2.25 to 1.0, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or the Preferred Stock had been issued, as the case may be, at the beginning of such four-quarter period.

(b) Section 4.09(a) hereof will not prohibit the incurrence of any of the following items of Indebtedness or issuances of Disqualified Stock or Preferred Stock, as applicable (collectively, "*Permitted Debt*"):

(1) the incurrence by the Company and any Restricted Subsidiary of additional Indebtedness and letters of credit under one or more Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) (with letters of credit being deemed to have a principal amount equal to the maximum potential

liability of the Company and the Restricted Subsidiaries thereunder) not to exceed the greatest of (i) $500.0 million, (ii) the Borrowing Base and (iii) 30.0% of the Company's Adjusted Consolidated Net Tangible Assets determined as of the date of such incurrence;

(2) the incurrence by the Company and its Restricted Subsidiaries of the Existing Indebtedness;

(3) the incurrence by the Issuer and the Guarantors of Indebtedness represented by the Notes and the related Note Guarantees to be issued on the date of this Indenture;

(4) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation, repair, replacement or improvement of property, plant or equipment used in the business of the Company or any of its Restricted Subsidiaries, in an aggregate principal amount outstanding, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (4), not to exceed the greater of (i) $50.0 million and (ii) 3.0% of the Company's Adjusted Consolidated Net Tangible Assets determined as of the date of such incurrence;

(5) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) of the Company or any of its Restricted Subsidiaries or any Disqualified Stock of the Company, in each case that was permitted by this Indenture to be incurred under Section 4.09(a) hereof or clause (2), (3), (4), (5), (14) or (15) of this Section 4.09(b);

(6) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries; *provided*, *however*, that:

(A) if the Issuer, the Company or any other Guarantor is the obligor on such Indebtedness and the payee is not the Issuer, the Company or any other Guarantor, such Indebtedness must be unsecured and expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Notes, in the case of the Issuer, or the Note Guarantee, in the case of the Company or any other Guarantor; and

(B) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary of the Company and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary of the Company,

will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the issuance by any of the Company's Restricted Subsidiaries to the Company or to any of its Restricted Subsidiaries of any Preferred Stock; *provided*, *however*, that:

(A) any subsequent issuance or transfer of Equity Interests that results in any such Preferred Stock being held by a Person other than the Company or a Restricted Subsidiary of the Company; and

(B) any sale or other transfer of any such Preferred Stock to a Person that is not either the Company or a Restricted Subsidiary of the Company,

will be deemed, in each case, to constitute an issuance of such Preferred Stock by such Restricted Subsidiary that was not permitted by this clause (7);

(8) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;

(9) the Guarantee by the Company or any of its Restricted Subsidiaries of Indebtedness of the Company or a Restricted Subsidiary of the Company to the extent that the Guaranteed Indebtedness was permitted to be incurred by another provision of this Section 4.09; *provided* that if the Indebtedness being Guaranteed is subordinated to or *pari passu* with the Notes, then the Guarantee must be subordinated or *pari passu*, as applicable, to the same extent as the Indebtedness that is Guaranteed;

(10) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, bid, plugging and abandonment, appeal, reimbursement, surety and similar bonds, and completion guarantees provided by the Company or a Restricted Subsidiary of the Company in the ordinary course of business and any Guarantees or letters of credit functioning as or supporting any of the foregoing bonds or obligations and workers' compensation claims in the ordinary course of business;

(11) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within five Business Days;

(12) the incurrence by the Company or any of its Restricted Subsidiaries of in-kind obligations relating to net oil or natural gas balancing positions arising in the ordinary course of business;

(13) any obligation arising from agreements of the Company or any Restricted Subsidiary of the Company providing for indemnification, adjustment of purchase price, earn outs, or similar obligations, in each case, incurred or assumed in connection with the disposition or acquisition of any business, assets or Capital Stock of a Restricted Subsidiary in a transaction permitted by this Indenture; *provided* that such obligation is not reflected as a liability on the face of the balance sheet of the Company or any Restricted Subsidiary;

(14) any Permitted Acquisition Indebtedness; and

(15) the incurrence by the Company or any of its Restricted Subsidiaries of additional Indebtedness or the issuance by the Company of any Disqualified Stock in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred or Disqualified Stock issued pursuant to this clause (15), not to exceed, at any one time outstanding, the greater of (i) $100.0 million and (ii) 5.0% of the Company's Adjusted Consolidated Net Tangible Assets determined as of the date of such incurrence or issuance.

For purposes of determining compliance with this Section 4.09, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (15) above, or is entitled to be incurred pursuant to Section 4.09(a) hereof, the Company will be permitted to divide, classify and reclassify such item of Indebtedness on the date of its incurrence, or later redivide or reclassify all or a portion of such item of Indebtedness, in any manner that complies with this Section 4.09. Indebtedness under the Credit Agreement outstanding on the date on which Notes are first issued and authenticated under this Indenture after giving effect to the use of proceeds will initially be deemed to have been incurred on such date in reliance on the exception provided by clause (1) of the definition of Permitted Debt and may not later be reclassified.

The accrual of interest or Preferred Stock or Disqualified Stock dividends or distributions, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of Preferred Stock or Disqualified Stock as Indebtedness due to a change in accounting principles, and the payment of dividends or distributions on Preferred Stock or Disqualified Stock in the form of additional shares or units of the same class of Preferred Stock or Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of Preferred Stock or Disqualified Stock for purposes of this Section 4.09; *provided*, in each such case, that the amount thereof is included in Fixed Charges of the Company as accrued to the extent required by the definition of such term.

The amount of any Indebtedness outstanding as of any date will be:

(a) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(b) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(c) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(1) the Fair Market Value of such assets at the date of determination; and

(2) the amount of the Indebtedness of the other Person.

Section 4.10 *Asset Sales*.

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(a) the Company or any of its Restricted Subsidiaries, as the case may be, receives consideration at the time of the Asset Sale at least equal to the Fair Market Value (measured as of the date of the definitive agreement with respect to such Asset Sale) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(b) at least 75% of the aggregate consideration received in the Asset Sale by the Company or such Restricted Subsidiary and all other Asset Sales since the date of this Indenture is in the form of cash or Cash Equivalents. For purposes of this provision, each of the following will be deemed to be cash:

(1) any liabilities, as shown on the Company's most recent consolidated balance sheet, of the Company or any of its Restricted Subsidiaries (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Note Guarantee) that are assumed by the transferee of any such assets pursuant to a novation or indemnity agreement that releases the Company or such Restricted Subsidiary from or indemnifies the Company or such Restricted Subsidiary against further liability;

(2) with respect to any Asset Sale of oil and natural gas properties by the Company or any of its Restricted Subsidiaries where the Company or such Restricted Subsidiary retains an interest in such property, any agreement by the transferee thereof (or any Affiliate thereof) to pay the costs and expenses of the Company or such Restricted Subsidiary related to the exploration, development, completion or production of such properties and activities related thereto;

(3) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are, within 180 days of the Asset Sale, converted by the Company or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion;

(4) any Capital Stock or assets of the kind referred to in clause (2) or (4) of Section 4.10(c) hereof; and

(5) any Designated Non-cash Consideration received by the Company or such Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-cash Consideration received pursuant to this clause (5), not to exceed an amount equal to 10.0% of the Company's Adjusted Consolidated Net Tangible Assets (determined at the time of receipt of such Designated Non-cash Consideration), with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value.

(c) Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Company or one or more of its Restricted Subsidiaries may apply an amount equal to the amount of such Net Proceeds at its option to any combination of the following:

(1) to repay, repurchase or redeem any Senior Debt;

(2) to acquire all or substantially all of the assets, or any Capital Stock, of one or more other Persons primarily engaged in the Oil and Gas Business, if, after giving effect to any such acquisition of Capital Stock, such Person becomes a Restricted Subsidiary of the Company;

(3) to make capital expenditures in respect of the Company's or any of its Restricted Subsidiaries' Oil and Gas Business; or

(4) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in the Oil and Gas Business.

The requirement of clause (2) or (4) of Section 4.10(c) hereof shall be deemed to be satisfied if a bona fide binding contract committing to make the acquisition referred to therein is entered into by the Company or any of its Restricted Subsidiaries with a Person other than an Affiliate of the Company within the time period specified in the preceding paragraph and such Net Proceeds are subsequently applied in accordance with such contract within 180 days following the date such agreement is entered into.

Pending the final application of any Net Proceeds, the Company or any of its Restricted Subsidiaries may use or invest the Net Proceeds in any manner that is not prohibited by this Indenture.

The Net Proceeds from Asset Sales that are not applied or invested as provided in Section 4.10(c) hereof will constitute "*Excess Proceeds*." When the aggregate amount of Excess Proceeds exceeds $20.0 million, within ten Business Days thereof (or earlier, at the Issuer's option), the Issuer will make an offer in accordance with the procedure set forth in Section 3.09 (an "*Asset Sale Offer*") to all Holders of Notes (with a copy to the Trustee) and all holders of

other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Section 4.10 with respect to offers to purchase, prepay or redeem such Indebtedness with the proceeds of sales of assets, to purchase, prepay or redeem, on a *pro rata* basis, the maximum principal amount of Notes and such other *pari passu* Indebtedness (*plus* all accrued interest on the Notes and other Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount, *plus* accrued and unpaid interest, if any, to the date of purchase, prepayment or redemption, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company or any of its Restricted Subsidiaries may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes tendered in such Asset Sale Offer exceeds the amount of Excess Proceeds allocated to the purchase of Notes, the Trustee will select the Notes to be purchased on a *pro rata* basis (except that any Notes represented by a Note in global form will be selected in accordance with the Applicable Procedures of DTC), based on the amounts tendered (with such adjustments as may be deemed appropriate by the Company so that only Notes in minimum denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased). Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with Section 3.09 or this Section 4.10 hereof, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under Section 3.09 hereof or this Section 4.10 by virtue of such compliance.

Section 4.11 *Transactions with Affiliates* .

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or Guarantee with, or for the benefit of, any Affiliate of the Company (each, an "*Affiliate Transaction*") involving aggregate consideration in any single transaction or series of related transactions in excess of $2.0 million, unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person or, if in the good faith judgment of the Board of Directors of the Company, no comparable transaction is available with which to compare such Affiliate Transaction, such Affiliate Transaction is otherwise fair to the Company or the relevant Restricted Subsidiary from a financial point of view; and

(2) the Company delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $20.0 million, an Officers' Certificate certifying that such Affiliate Transaction or series of related Affiliate Transactions complies with this Section 4.11; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $40.0 million, a resolution of the Board of Directors of the Company set forth in an Officers' Certificate certifying that such Affiliate Transaction or series of related Affiliate Transactions complies with this Section 4.11 and that such Affiliate Transaction or series of related Affiliate Transactions has been approved by a majority of the disinterested members of the Board of Directors of the Company, if any.

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.11(a) hereof:

(1) any employment or consulting agreement, employee benefit plan, officer or director indemnification, compensation or severance agreement or any similar arrangement with respect to employees, officers, directors or consultants of the Company or any of its Restricted Subsidiaries or any direct or indirect parent of the Company in the ordinary course of business and payments pursuant thereto;

(2) transactions between or among the Company or its Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Company) that is an Affiliate of the Company solely because the Company owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable and customary fees and reimbursements of expenses (pursuant to indemnity arrangements or otherwise) of officers, directors, employees or consultants of the Company or any of its Restricted Subsidiaries or any direct or indirect parent of the Company;

(5) any issuance of Equity Interests (other than Disqualified Stock) of the Company to Affiliates of the Company;

(6) Restricted Payments that do not violate the provisions of Section 4.07 hereof and any Permitted Investment;

(7) transactions effected in accordance with the terms of agreements in effect on the date of this Indenture, and any amendment or replacement of any of such agreements so long as such amendment or replacement agreement is not materially less favorable, taken as a whole, to the Company and its Restricted Subsidiaries than the agreement so amended or replaced;

(8) payments to an Affiliate in respect of the Notes or any other Indebtedness of the Company or any of its Restricted Subsidiaries on the same basis as concurrent payments are made or offered to be made in respect thereof to non-Affiliates;

(9) loans or advances to or reimbursements of expenses incurred by employees for moving, entertainment and travel expenses and similar expenditures in the ordinary course of business;

(10) transactions between the Company or any of its Restricted Subsidiaries and any other Person, a director of which is also on the Board of Directors of the Company or any direct or indirect parent company of the Company, and such common director is the sole cause for such other Person to be deemed an Affiliate of the Company or any of its Restricted Subsidiaries; *provided*, however, that such director abstains from voting as a member of the Board of Directors of the Company or any direct or indirect parent company of the Company, as the case may be, on any transaction with such other Person;

(11) in the case of contracts for exploring for, producing, marketing, storing or otherwise handling Hydrocarbons, or activities or services reasonably related or ancillary thereto, including cogeneration, provision of steam or electric power generation, or other operational contracts, any such contracts entered into in the ordinary course of business and otherwise in compliance with the terms of this Indenture which are fair to the Company and its Restricted Subsidiaries, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party, in either case in the reasonable determination of the Board of Directors of the Company or the senior management thereof; and

(12) any transaction in which the Company or any of its Restricted Subsidiaries, as the case may be, delivers to the Trustee a letter from an accounting, appraisal or investment banking firm of national standing stating that such transaction is fair to the Company or such Restricted Subsidiary from a financial point of view or that such transaction meets the requirements of Section 4.11(a)(1) hereof.

Section 4.12 *Liens*.

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur or assume any Lien (an "*Initial Lien*") of any kind (other than Permitted Liens) securing Indebtedness upon any of their property or assets now owned or hereafter acquired, unless the Notes or any Note Guarantee of such Restricted Subsidiary, as applicable, are secured on an equal and ratable basis with the Indebtedness so secured until such time as such Indebtedness is no longer secured by the Initial Lien.

Any Lien created for the benefit of Holders of Notes pursuant to the preceding paragraph shall provide by its terms that such Lien shall be automatically and unconditionally released and discharged upon the release and discharge of the Initial Lien.

Section 4.13 *Business Activities*.

The Company will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than the Oil and Gas Business, except to such extent as would not be material to the Company and its Restricted Subsidiaries taken as a whole.

Section 4.14 *Organizational Existence*.

Except as permitted by Article 5 and Section 10.04 hereof, the Company and the Issuer shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(a) its corporate or limited liability company or other existence, and the corporate, partnership or other existence of each of its Restricted Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company, the Issuer or any other Restricted Subsidiary; and

(b) the rights (charter and statutory), licenses and franchises of the Company and the Issuer and their Restricted Subsidiaries; *provided*, *however*, that the Company and the Issuer shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of their Restricted Subsidiaries (other than the Issuer), if the senior management of the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Restricted Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders of the Notes.

Section 4.15 *Offer to Repurchase Upon Change of Control*.

(a) Upon the occurrence of a Change of Control, except as provided in this Section 4.15, the Issuer will make an offer (a *"Change of Control Offer"*) to each Holder to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of that Holder's Notes at a purchase price in cash (the "*Change of Control Payment*") equal to 101% of the aggregate principal amount of Notes repurchased, *plus* accrued and unpaid interest, if any, on the Notes repurchased to the date of purchase (the *"Change of Control Payment Date"*), subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Issuer will send a notice to each Holder, with a copy to the Trustee, describing the transaction or transactions that constitute the Change of Control and stating:

(1) that the Change of Control Offer is being made pursuant to this Section 4.15 and that all Notes tendered will be accepted for payment;

(2) the purchase price and the expiration date of the Change of Control Offer, which shall be no earlier than 30 days and no later than 60 days from the date such notice is sent;

(3) that any Note not tendered will continue to accrue interest;

(4) that, unless the Issuer defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;

(5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to comply with Applicable Procedures, or for Definitive Notes to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) that Holders will be entitled to withdraw their election pursuant to Applicable Procedures, or for Definitive Notes if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telegram, electronic image scan, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(7) that Holders whose Notes are being purchased only in part will be issued new Notes (or transferred by book entry) equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to $2,000 in principal amount or an integral multiple of $1,000 in excess thereof.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 4.15, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.15 by virtue of such compliance.

(b) Promptly following the expiration of the Change of Control Offer, the Issuer will, to the extent lawful, accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer. Promptly after such acceptance, the Issuer will, on the Change of Control Purchase Date:

(1) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(2) deliver or cause to be delivered to the Trustee the Notes accepted for payment, together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuer.

The Paying Agent will promptly mail to each Holder of Notes properly tendered the Change of Control Payment for such Notes (or, if all the Notes are then in global form, make such payment through the facilities of DTC), and the Trustee will promptly authenticate and mail

(or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Issuer will announce to the Holders of Notes the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(c) Notwithstanding anything to the contrary in this Section 4.15, the Issuer will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.15 and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, (2) notice of redemption of all outstanding Notes has been given pursuant to Section 3.03 hereof, unless and until there is a default in payment of the applicable redemption price, or (3) in connection with or in contemplation of any Change of Control, the Issuer has made an offer to purchase (an "*Alternate Offer*") any and all Notes validly tendered at a cash price equal to or higher than the Change of Control Payment and has purchased all Notes properly tendered in accordance with the terms of the Alternate Offer.

(d) Notwithstanding anything to the contrary contained herein, a Change of Control Offer or Alternate Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer or Alternate Offer is made. The closing date of any such Change of Control Offer made in advance of a Change of Control may be changed to conform to the actual closing date of the Change of Control; *provided* that such closing date is not earlier than 30 days nor later than 60 days from the date the Change of Control Offer notice is sent pursuant to Section 4.15(a) hereof.

(e) In the event that Holders of not less than 90% in aggregate principal amount of the outstanding Notes accept a Change of Control Offer or Alternate Offer and the Issuer (or any third party making such Change of Control Offer or Alternate Offer in lieu of the Issuer as described in paragraph (c) above) purchases all of the Notes held by such Holders, the Issuer will have the right, upon not less than 30 nor more than 60 days' prior notice, given not more than 30 days following the purchase pursuant to the Change of Control Offer or Alternate Offer described above, to redeem all of the Notes that remain outstanding following such purchase at a redemption price equal to the Change of Control Payment, *plus*, to the extent not included in the Change of Control Payment, accrued and unpaid interest, if any, on the Notes that remain outstanding, to the date of redemption (subject to the rights of Holders on the relevant record date to receive interest due on an interest payment date that is on or prior to the redemption date).

Section 4.16 *Additional Note Guarantees*.

If the Company or any of its Restricted Subsidiaries acquires or creates another Restricted Subsidiary after the date of this Indenture that Guarantees Indebtedness of the Issuer or any Guarantor under a Credit Facility, then, in either case, that Subsidiary will become a Guarantor by executing a supplemental indenture in substantially the form of Exhibit E hereto and delivering an Opinion of Counsel to the Trustee within 30 days after the date that Subsidiary was acquired or created or on which it guaranteed such Indebtedness.

Section 4.17 *Designation of Restricted and Unrestricted Subsidiaries.*

The Board of Directors of the Company may designate any Restricted Subsidiary (other than the Issuer) to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be either (1) an Investment made as of the time of the designation that will reduce the amount available for Restricted Payments under Section 4.07 hereof or (2) a Permitted Investment under one or more clauses of the definition of Permitted Investments, as determined by the Company. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the preceding conditions and was permitted by Section 4.07 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Company as of such date and, if such Indebtedness is not permitted to be incurred as of such date under Section 4.09 hereof, the Company will be in default of such covenant.

The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Company; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4.09 hereof, calculated on a pro forma basis as if such designation had occurred at the beginning of the applicable reference period and (2) no Default or Event of Default would be in existence following such designation.

Section 4.18 *Covenant Suspension.*

If on any date following the date of this Indenture: (a) the Notes are rated Baa3 or better by Moody's or BBB- or better by S&P (or, if either such entity ceases to rate the Notes for reasons outside of the control of the Company, the equivalent investment grade credit rating from any other "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) of the Exchange Act selected by the Company as a replacement agency); and (b) no Default or Event of Default shall have occurred and be continuing under this Indenture as of the date of delivery of the Officers' Certificate referred to below, then, upon delivery by the Company of an Officers' Certificate to the foregoing effect, and subject to the provisions of this Section 4.18, Sections 4.07, 4.08, 4.09, 4.10, 4.11, 4.17 and Section 5.01(a)(4) of this Indenture will be suspended.

During any period that the foregoing Sections have been suspended (the "*Suspension Period*"), the Company's Board of Directors may not designate any of its Subsidiaries as Unrestricted Subsidiaries pursuant to Section 4.17 hereof or the second paragraph of the definition of "Unrestricted Subsidiaries."

Notwithstanding the foregoing, if the ratings assigned to the Notes by both such rating agencies should subsequently decline to below Baa3 and BBB- from Moody's and S&P, respectively, the foregoing covenants will be reinstituted as of and from the date both such ratings were below investment grade (the "*Reversion Date*"). Calculations under the reinstated Section 4.07 hereof will be made as if Section 4.07 hereof had been in effect since the date of this Indenture except that no Default will be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. Furthermore, all Indebtedness incurred, or Disqualified Stock or Preferred Stock issued, during the Suspension Period will be deemed to have been incurred or issued pursuant to Section 4.09(b)(2) hereof. In addition, for purposes of Section 4.11 hereof, all agreements and arrangements entered into by the Company or any Restricted Subsidiary with an Affiliate of the Company during the Suspension Period will be deemed to have been entered into prior to the date of this Indenture and permitted by Section 4.11(b)(7) hereof, and for purposes of Section 4.08 hereof, all contracts entered into during the Suspension Period that contain any of the restrictions contemplated by such covenant will be deemed to have been existing on the date of this Indenture.

The Company shall promptly upon its occurrence deliver to the Trustee an Officers' Certificate notifying the Trustee of the commencement of any Suspension Period or a Reversion Date, the date thereof and identifying the suspended covenants. The Trustee shall not have any obligation to monitor the ratings of the Notes, the occurrence or dates of any Suspension Period or Reversion Date and may rely conclusively on such Officers' Certificate. The Trustee shall not have any obligation to notify the Holders of the occurrence or dates of any Suspension Period, suspended covenants or Reversion Date, but may provide a copy of such Officers' Certificate to any Holder of Notes upon request.

ARTICLE 5
SUCCESSORS

Section 5.01 *Merger, Consolidation or Sale of Assets*.

(a) Neither the Issuer nor the Company may, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Issuer or the Company, as the case may be, is the survivor) or (2) sell, assign, transfer, convey, lease or otherwise dispose of all or substantially all of the properties and assets of the Company and its Restricted Subsidiaries, taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) the Issuer or the Company, as the case may be, is the surviving Person; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer or the Company, as the case may be) or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made is an entity organized or existing under the laws of the United States, any state of the United States or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Issuer or the Company, as the case may be) or the Person to which such sale, assignment, transfer, conveyance, lease or other disposition has been made (if other than the Issuer or the Company, as the case may be) expressly assumes in the case of the Issuer all the obligations of the Issuer under the Notes and this Indenture and, in the case of the Company, all the obligations of the Company under this Indenture and its Note Guarantee, in each case pursuant to a supplemental indenture in a form reasonably satisfactory to the Trustee;

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) immediately after giving effect to such transaction and any related financing transaction on a pro forma basis as if the same had occurred at the beginning of the applicable four-quarter period, either (a) the Company or the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made, would be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof or (b) have had a Fixed Charge Coverage Ratio of the Company or the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, conveyance, lease or other disposition has been made, is equal to or greater than the Fixed Charge Coverage Ratio of the Company immediately prior to such transaction.

(b) Notwithstanding the foregoing, compliance with Section 5.01 will not be required for (1) any statutory conversion of the Company or the Issuer to another form of entity or (2) any sale, assignment, transfer, conveyance, lease or other disposition of properties or assets between or among the Company and its Restricted Subsidiaries. Clauses (3) and (4) of Section 5.01(a) hereof will not apply to any merger or consolidation of the Company or the Issuer (1) with or into one of the Company's Restricted Subsidiaries for any purpose or (2) with or into an Affiliate solely for the purpose of reorganizing the Company or the Issuer in another jurisdiction.

Section 5.02 *Successor Issuer Substituted.*

Upon any consolidation or merger or any sale, assignment, transfer, conveyance, lease or other disposition of all or substantially all of the properties or assets of the Company or the Issuer, as the case may be, in accordance with Section 5.01 hereof in which the Company or the Issuer, as the case may be, is not the surviving entity, the surviving Person formed by such consolidation or into or with which the Company or the Issuer, as the case may be, is merged or to which such sale, assignment, transfer, conveyance, lease or other disposition is made shall succeed to, and be substituted for, and may exercise every right and power of the Company or the Issuer, as the case may be, under this Indenture with the same effect as if such surviving Person had been named as the Company or the Issuer, as the case may be, herein, and thereafter (except in the case of a lease of all or substantially all of the Company's properties or assets), the Company or the Issuer, as the case may be, will be relieved of all obligations and covenants under this Indenture and the Notes and, in the case of the Company, its Note Guarantee.

Section 6.01 *Events of Default*.

Each of the following is an "*Event of Default*":

(a) default for 30 days in the payment when due of interest, if any, on the Notes;

(b) default in the payment when due (at Stated Maturity, upon redemption or otherwise) of the principal of, or premium, if any, on, the Notes;

(c) failure by the Issuer to comply with its obligations to offer to purchase or purchase Notes when due under the provisions of Section 4.10 or Section 4.15 or failure of the Company or the Issuer to comply with Section 5.01 hereof;

(d) failure by the Company for 180 days after notice from the Trustee or Holders of at least 25% in aggregate principal amount of the Notes (with a copy to the Trustee if given by the Holders) then outstanding to comply with Section 4.03 hereof;

(e) failure by the Company or the Issuer for 60 days after notice to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes (with a copy to the Trustee if given by the Holders) then outstanding to comply with any of its other agreements in this Indenture;

(f) default under any mortgage, indenture or instrument under which there is issued or by which there is secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is Guaranteed by the Company or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the date of this Indenture, if that default:

(1) is caused by a failure to pay principal of, premium, if any, on, or interest, if any, on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "*Payment Default*"); or

(2) results in the acceleration of such Indebtedness prior to its Stated Maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $35.0 million or more; *provided*, *however*, that if (i) any such Payment Default is cured or waived, (ii) any such acceleration is rescinded, or (iii) such Indebtedness is repaid during the 30 day period commencing upon the end of any applicable grace period for such Payment Default or the occurrence of such acceleration, as the case may be, any Default or Event of Default and any acceleration of the Notes caused by such Payment Default or acceleration shall be automatically rescinded, so long as such rescission does not conflict with any judgment, decree or applicable law;

(g) failure by the Company or any of its Restricted Subsidiaries to pay final judgments entered by a court or courts of competent jurisdiction aggregating in excess of $35.0 million (to the extent not covered by insurance by a reputable and creditworthy insurer as to which the insurer has not disclaimed coverage), which judgments are not paid, discharged or stayed, for a period of 60 days;

(h) except as permitted by this Indenture, any Note Guarantee is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor, or any Person acting on behalf of any Guarantor, denies or disaffirms its obligations under its Note Guarantee; and

(i) the Issuer, the Company, or any of the Company's Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary pursuant to or within the meaning of Bankruptcy Law:

(1) commences a voluntary case,

(2) consents to the entry of an order for relief against it in an involuntary case,

(3) consents to the appointment of a custodian of it or for all or substantially all of its property,

(4) makes a general assignment for the benefit of its creditors, or

(5) announces in writing that it generally is not paying its debts as they become due;

(j) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(1) is for relief against the Issuer, the Company or any of the Company's Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary in an involuntary case;

(2) appoints a custodian of the Issuer, the Company or any of the Company's Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Issuer or the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary; or

(3) orders the liquidation of the Issuer, the Company or any of the Company's Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary;

and in each case the order or decree remains unstayed and in effect for 60 consecutive days.

Section 6.02 *Acceleration*.

In the case of an Event of Default specified in Section 6.01(i) or 6.01(j) hereof, with respect to the Issuer, the Company, any Restricted Subsidiary of the Company that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, then the principal of and accrued and unpaid interest on all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare the principal of and accrued and unpaid interest on all the Notes to be due and payable immediately.

The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of all of the Holders of all the Notes, rescind an acceleration and its consequences hereunder, if, among other things, (1) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction, (2) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, on, and interest on, the Notes that has become due solely by such declaration of acceleration, have been cured or waived and (3) the Trustee has been paid all amounts then owing to the Trustee under Section 7.06 hereof.

Section 6.03 *Other Remedies*.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of the principal of, or any interest on, the Notes or Note Guarantees or to protect and enforce the rights vested in it by this Indenture, either by suit in equity or by action at law or by proceeding in bankruptcy or otherwise.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder of a Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law. If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceedings, the Issuer, the Guarantors, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding has been instituted.

Section 6.04 *Waiver of Past Defaults*.

The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of principal of, premium, if any, on, and interest, if any, on, the Notes when due; *provided, however*, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration, as provided in Section 6.02. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 *Control by Majority*.

Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders of Notes (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not any such directions are unduly prejudiced to such Holders) or that may involve the Trustee in personal liability. The Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Section 6.06 *Limitation on Suits*.

Except to enforce the right to receive payments of principal, premium and interest, if any, when due on the Notes, no Holder of a Note may pursue any remedy with respect to this Indenture or the Notes unless:

(a) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(b) Holders of at least 25% in aggregate principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;

(c) such Holder or Holders offer and provide to the Trustee security or indemnity satisfactory to the Trustee against any loss, cost, liability or expense;

(d) the Trustee does not comply with such request within 60 days after receipt of the request and the offer, or provision if requested, of security or indemnity; and

(e) during such 60-day period, Holders of a majority in aggregate principal amount of the then outstanding Notes do not give the Trustee a direction inconsistent with such request.

A Holder of a Note may not use this Indenture to prejudice the rights of another Holder of a Note or to obtain a preference or priority over another Holder of a Note.

Section 6.07 *Collection Suit by Trustee*.

If an Event of Default specified in Section 6.01(a) or (b) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Issuer for the whole amount of principal of, premium, if any, on, and interest, if any, remaining unpaid on, the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.08 *Trustee May File Proofs of Claim*.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders of the Notes allowed in any judicial proceedings relative to the Company or the Issuer (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.06 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.06 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. The Trustee may, on behalf of the Holders, vote for the election of a trustee in bankruptcy or similar official and be a member of a creditors' committee or other similar committee. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.09 *Priorities*.

If the Trustee collects any money or property pursuant to this Article 6, and any money or other property distributable in respect of the Company's or Guarantors' obligations under this Indenture after an Event of Default, shall be paid out or distributed in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.06 hereof, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee and the costs and expenses of collection;

Second: to Holders of the Notes for amounts due and unpaid on the Notes for principal, premium, if any, and interest, if any, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, and interest, if any, respectively; and

Third: to the Issuer or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders of the Notes pursuant to this Section 6.09.

Section 6.10 *Undertaking for Costs*.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.10 does not apply to a suit by the Trustee or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

ARTICLE 7
TRUSTEE

Section 7.01 *Duties of Trustee*.

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee will examine the certificates and opinions to determine whether or not they conform on their face to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section 7.01.

(e) No provision of this Indenture will require the Trustee to expend or risk its own funds or incur any liability. The Trustee will be under no obligation to exercise any of its rights and powers under this Indenture at the request or direction of any Holders, unless such Holder has furnished to the Trustee security and indemnity satisfactory to it against any loss, cost, liability or expense.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Issuer. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02 *Rights of Trustee.*

(a) The Trustee may conclusively rely upon any document (whether in its original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel of its selection and the advice of such counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Issuer will be sufficient if signed by an Officer of the Company. Any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders have furnished to the Trustee indemnity or security satisfactory to it against the losses, liabilities, costs, and expenses that might be incurred by it in compliance with such request or direction.

(g) The Trustee shall not be deemed to have notice of a Default or an Event of Default unless a Responsible Officer of the Trustee has actual knowledge of such Default or Event of Default or unless written notice from the Company or from the Holders of at least 25% of the aggregate principal amount of the Notes of any event which is in fact such a Default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the existence of a Default or Event of Default, the Notes and this Indenture.

(h) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood or such loss or damage and regardless of the form of action.

(i) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be compensated, reimbursed and indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder and each Agent, and each agent, custodian and other Person employed to act hereunder.

(j) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

(k) The permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty unless so specified herein.

(l) No provision of this Indenture shall be deemed to impose any duty or obligation on the Trustee to take or omit to take any action, in the performance of its duties or obligations under this Indenture, or to exercise any right or power thereunder, to the extent that taking or omitting to take such action would violate applicable law binding upon it.

(m) The Trustee may request that the Issuer deliver an Officers' Certificate setting forth the name of the individuals and/or titles of officers authorized at such time to take specific actions pursuant to this Indenture, which Officers' Certificate may be signed by any Person authorized to sign an Officers' Certificate, including any Person specified as so authorized in any such Officers' Certificate previously delivered and not superseded, and may be updated and delivered to the Trustee at any time by the Issuer in its discretion.

(n) The Trustee will not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness, or other paper or document, or inquire as to the performance by the Company or the Guarantors of any of their covenants or obligations in this Indenture, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it will be entitled to examine the books, records, and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

Section 7.03 *Individual Rights of Trustee.*

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Issuer or any Affiliate of the Issuer with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest (as defined in the TIA) after a Default has occurred and is continuing it must eliminate such conflict within 90 days or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Section 7.09 hereof.

Section 7.04 *Trustee's Disclaimer.*

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes or the Note Guarantees, it shall not be accountable for the Issuer's use of the proceeds from the Notes or any money paid to the Issuer or upon the Issuer's direction under any provision of this Indenture, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or in the Offering Memorandum or in any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication. The Trustee shall not be bound to ascertain or inquire as to the performance, observance, or breach of any covenants, conditions, representations, warranties or agreements on the part of the Company or the Guarantors but the Trustee may require full information and advice as to the performance of the aforementioned covenants. Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Notes or the Note Guarantees. The Trustee shall not be responsible for and makes no representation as to any act or omission of any rating agency or any rating with respect to the Notes. The Trustee shall have no obligation to independently determine or verify if any event has occurred or notify the Holders of any event dependent upon the rating of the Notes, or if the rating on the Notes has been changed, suspended or withdrawn by any rating agency. The Trustee shall have no obligation to independently determine or verify if any merger

event, or any other event has occurred or notify the Holders of any such event. The Trustee shall have no obligation to independently determine or verify if any Change of Control, Asset Sale, or any other event has occurred or if an Asset Sale Offer or Change of Control Offer is required to be made, or notify the Holders of any such event.

Section 7.05 *Notice of Defaults.*

If a Default or Event of Default occurs and is continuing and if it is actually known to a Responsible Officer of the Trustee as provided in Section 7.02(g), the Trustee will send to Holders of the Notes a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, if any, on, and interest, if any, on, any Note, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders of the Notes.

Section 7.06 *Compensation and Indemnity*.

(a) The Issuer will pay to the Trustee from time to time compensation for its acceptance of this Indenture and services hereunder as shall be agreed to in writing from time to time by the Issuer and the Trustee. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Issuer will reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

(b) The Issuer and the Guarantors, jointly and severally, will indemnify, defend and protect the Trustee (in its individual capacities and trustee capacities), its agents, representatives, officers, directors, employees and attorneys against any and all losses, liabilities, damages, claims, fees, costs or expenses (including reasonable attorneys' fees and expenses and court costs) incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture or in connection with the enforcement of any rights hereunder, or arising out of or in connection with the exercise or performance of any of its rights or powers hereunder, including the costs and expenses of enforcing this Indenture against the Issuer and the Guarantors (including this Section 7.06) and defending itself against any claim (whether asserted by the Issuer, the Guarantors, any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, and including reasonable attorneys' fees and expenses and court costs incurred in connection with any action, claim or suit brought to enforce the Trustee's right to compensation, reimbursement or indemnification, except to the extent any such loss, liability or expense may be attributable to its willful misconduct or gross negligence as determined by a final, non-appealable judgment of a court of competent jurisdiction. The Trustee will notify the Issuer promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Issuer will not relieve the Issuer or any of the Guarantors of their obligations hereunder. The Issuer or such Guarantor will defend the claim and the Trustee will cooperate in the defense. The Trustee may have separate counsel and the Issuer will pay the reasonable fees and expenses of such counsel. Neither the Issuer nor any Guarantor need pay for any settlement made without its consent, which consent will not be unreasonably withheld.

(c) The obligations of the Issuer and the Guarantors under this Section 7.06 will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Trustee.

(d) To secure the Issuer's and the Guarantors' payment obligations in this Section 7.06Section 7.06, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal of, premium, if any, on, and interest, if any, on, particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(i) or (j) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

(f) "Trustee" for the purposes of this Section 7.06 shall include any predecessor Trustee and the Trustee in each of its capacities hereunder and each agent, custodian and other person employed to act hereunder; provided, however, that the gross negligence or willful misconduct of any Trustee hereunder shall not affect the rights of any other Trustee hereunder.

Section 7.07 *Replacement of Trustee*.

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.07.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Issuer. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee upon 30 days' prior notice to the Trustee and the Issuer in writing. The Issuer may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.09 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuer will promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuer.

(d) If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee (at the Issuer's expense), the Issuer, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.09 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Issuer. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will send a notice of its succession to Holders. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.06 Section 7.06hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.07, the Issuer's and Guarantors' obligations under Section 7.06 hereof will continue for the benefit of the retiring Trustee.

Section 7.08 *Successor Trustee by Merger, etc*.

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.09 *Eligibility; Disqualification*.

There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $50.0 million as set forth in its most recent published annual report of condition.

Section 7.10 *Preferential Collection of Claims Against Company*.

The Trustee is subject to TIA §311(a), excluding any creditor relationship listed in TIA §311(b). A Trustee who has resigned or been removed shall be subject to TIA §311(a) to the extent indicated therein.

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 *Option to Effect Legal Defeasance or Covenant Defeasance*.

The Issuer may at any time, at the option of its Boards of Directors evidenced by a resolution set forth in an Officers' Certificate, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02 *Legal Defeasance and Discharge*.

Upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Issuer and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from their obligations with respect to all outstanding Notes (including the Note Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Issuer and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (a) and (b) below, and to have satisfied all their other obligations under such Notes, the Note Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(a) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, premium, if any, on, or interest, if any, on, such Notes when such payments are due from the trust referred to in Section 8.04 hereof;

(b) the Issuer's obligations with respect to such Notes under Article 2 and Section 4.02 hereof;

(c) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Issuer's and the Guarantors' obligations in connection therewith; and

(d) this Article 8.

Subject to compliance with this Article 8, the Issuer may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

Section 8.03 *Covenant Defeasance*.

Upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Issuer and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their respective obligations under the covenants contained in Sections 4.03, 4.04, 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.15, 4.16, and 4.17 hereof and clause (3) of Section 5.01(a) hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes to the extent permitted by GAAP). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Note

Guarantees, the Issuer and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Notes and Note Guarantees will be unaffected thereby. In addition, upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(c), (d), (e), (f), (g) and (h) hereof will not constitute Events of Default.

Section 8.04 *Conditions to Legal or Covenant Defeasance*.

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof:

(a) the Issuer must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in amounts as will be sufficient, without consideration of any reinvestment of interest, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants delivered to the Trustee, to pay the principal of, premium, if any, on, and interest on the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date (*provided* that if such redemption is made as provided in Section 3.07(b) hereof, (x) the amount of cash in U.S. dollars, non-callable Government Securities, or a combination thereof, that must be irrevocably deposited will be determined using an assumed Applicable Premium calculated as of the date of such deposit and (y) the depositor must irrevocably deposit or cause to be deposited additional money in trust on the redemption date as necessary to pay the Applicable Premium as determined on such date);

(b) in the case of an election under Section 8.02 hereof, the Issuer must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that:

(1) the Issuer received from, or there has been published by, the Internal Revenue Service a ruling; or

(2) since the date of this Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel will confirm that, the holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(c) in the case of an election under Section 8.03 hereof, the Issuer must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit (and any similar concurrent deposit relating to other Indebtedness), and the granting of Liens to secure such borrowings);

(e) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture and the agreements governing any other Indebtedness being defeased, discharged or replaced) to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound;

(f) the Issuer must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders of Notes over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer or others; and

(g) the Issuer must deliver to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05 *Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.*

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "*Trustee*") pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest, if any, but such money need not be segregated from other funds except to the extent required by law.

The Issuer will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable Government Securities deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Issuer from time to time upon the request of the Issuer any money or non-callable Government Securities held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(a) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 *Repayment to Issuer*.

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuer, in trust for the payment of the principal of, premium, if any, on, and interest, if any, on, any Note and remaining unclaimed for two years after such principal, premium, if any, or interest, if any, has become due and payable, subject to applicable abandoned property law shall be paid to the Issuer on its request or (if then held by the Issuer) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Issuer for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer as trustee thereof, will thereupon cease.

Section 8.07 *Reinstatement*.

If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable Government Securities in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuer's and the Guarantors' obligations under this Indenture and the Notes and the Note Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; *provided, however*, that, if the Issuer makes any payment of principal of, premium, if any, on, or interest, if any, on, any Note following the reinstatement of its obligations, the Issuer will be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9
AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 *Without Consent of Holders of Notes*.

Notwithstanding Section 9.02 of this Indenture, without the consent of any Holder of Notes, the Issuer, the Guarantors and the Trustee may amend or supplement this Indenture, the Notes or the Note Guarantees:

(a) to cure any ambiguity, defect or inconsistency, as evidenced by an Officers' Certificate;

(b) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(c) to provide for the assumption of an Issuer's or a Guarantor's obligations to Holders of the Notes and Note Guarantees in the case of a merger or consolidation or disposition of all or substantially all of the Issuer's or such Guarantor's properties or assets, as applicable;

(d) to make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights under this Indenture of any Holder, including to comply with requirements of the SEC or DTC in order to maintain the transferability of the Notes pursuant to Rule 144A or Regulation S under the Securities Act;

(e) to comply with requirements of the SEC in order to effect or maintain the qualification of this Indenture under the TIA;

(f) to conform the text of this Indenture, the Notes or the Note Guarantees to any provision of the "Description of Notes" section of the Offering Memorandum, as set forth in an Officers' Certificate;

(g) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date hereof;

(h) to secure the Notes or the Note Guarantees, including pursuant to the requirements of Section 4.12 hereof;

(i) to add any additional Guarantor or to evidence the release of any Guarantor from its Note Guarantee, in each case as provided in this Indenture, provided that any supplemental indenture to add additional Guarantors need only be signed by the Issuer, the Company, such additional Guarantor and the Trustee; or

(j) to evidence or provide for the acceptance of appointment under this Indenture of a successor Trustee.

Upon the request of the Company, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee will join with the Issuer and the Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee will not be obligated to enter into such amended or supplemental indenture that affects its own rights, duties or immunities under this Indenture or otherwise.

Section 9.02 *With Consent of Holders of Notes*.

Except as provided below in this Section 9.02, the Issuer, the Guarantors and the Trustee may amend or supplement this Indenture (including Sections 3.09, 4.10 and 4.15 hereof) and the Notes and the Note Guarantees with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including Additional Notes, if any) voting as a single class (including consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and, subject to Section 6.04 hereof, any existing Default or Event of Default or compliance with any provision of this Indenture or the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including Additional Notes, if any) voting as a single class

(including consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes). Section 2.08 hereof shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02. However, without the consent of each Holder affected, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

(a) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(b) reduce the principal of or change the fixed maturity of any Note or alter or waive any of the provisions with respect to the redemption of the Notes (except provisions relating to minimum required notice of optional redemption or, for the avoidance of doubt, provisions relating to Sections 3.09, 4.10 or 4.15 hereof);

(c) reduce the rate of or change the time for payment of interest on any Note;

(d) waive a Default or Event of Default in the payment of principal of, premium, if any, on, or interest on the Notes (except a rescission of acceleration of the Notes by the Holders of a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(e) make any Note payable in money other than that stated in the Notes;

(f) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to enforce their rights to receive payments of principal of, premium, if any, on, or interest, on, the Notes (other than as permitted by clause (g) below);

(g) waive a redemption payment with respect to any Note (other than, for the avoidance of doubt, a payment required by Section 3.09, 4.10 or 4.15 hereof);

(h) release any Guarantor from any of its obligations under its Note Guarantee or this Indenture, except in accordance with the terms of this Indenture; or

(i) make any change in the preceding amendment, supplement or waiver provisions.

Upon the request of the Company to the Trustee, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of the Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 9.05 hereof, the Trustee will join with the Issuer and the Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but will not be obligated to, enter into such amended or supplemental indenture.

It is not necessary for the consent of the Holders of the Notes under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof. The Issuer may, but shall not be

obligated to, fix a record date for the purpose of determining the Persons entitled to consent to any supplemental indenture hereto. If a record date is fixed, the Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to consent to such supplemental indenture, whether or not such Holders remain Holders after such record date; provided that unless such consent shall have become effective by virtue of the requisite percentage having been obtained prior to the date which is 90 days after such record date, any such consent previously given shall automatically and without further action by any Holder be cancelled and of no further effect.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company or the Issuer will send to the Holders of the Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company or the Issuer to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver.

Section 9.03 *Revocation and Effect of Consents*.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.04 *Notation on or Exchange of Notes*.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Issuer in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.05 *Trustee to Sign Amendments, etc*.

The Trustee will sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. In executing any amended or supplemental indenture, the Trustee will be entitled to receive and (subject to Section 7.01 hereof) will be fully protected in conclusively relying upon, in addition to the documents required by Section 12.02 hereof, an Officers' Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture.

ARTICLE 10
NOTE GUARANTEES

Section 10.01 *Guarantee.*

(a) Subject to this Article 10, each of the Guarantors hereby, jointly and severally, unconditionally Guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuer hereunder or thereunder, that:

(1) the principal of, premium, if any, on, and interest, if any, on, the Notes will be promptly paid in full when due, whether at Stated Maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium, if any, on, and interest, if any, on, the Notes, if lawful, and all other obligations of the Issuer to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

Failing payment when due of any amount so Guaranteed or any performance so Guaranteed for whatever reason, the Guarantors will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a Guarantee of payment and not a Guarantee of collection.

(b) The Guarantors hereby agree that their obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuer, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest, notice and all demands whatsoever and covenant that this Note Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder or the Trustee is required by any court or otherwise to return to the Issuer, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Issuer or the Guarantors, any amount paid by any of them to the Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect.

(d) Each Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders in respect of any obligations Guaranteed hereby until payment in full of all obligations Guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the obligations Guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations Guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantors for the purpose of this Note Guarantee. The Guarantors will have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Note Guarantee.

Section 10.02 *Limitation on Guarantor Liability*.

Each Guarantor and, by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Note Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 10, result in the obligations of such Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance.

Section 10.03 *Execution and Delivery of Note Guarantee*.

To evidence its Note Guarantee set forth in Section 10.01 hereof, each Guarantor hereby agrees that a notation of such Note Guarantee substantially in the form attached as Exhibit D hereto will be endorsed by an Officer of such Guarantor on each Note authenticated and delivered by the Trustee on the date of this Indenture and that this Indenture, or a supplement thereto, will be executed on behalf of such Guarantor by one of its Officers.

Each Guarantor hereby agrees that its Note Guarantee set forth in Section 10.01 hereof will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

If an Officer whose signature is on the notation of its Note Guarantee no longer holds that office at the time the Trustee authenticates the Note on which such notation of its Note Guarantee is endorsed, the Note Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the Note Guarantee set forth in this Indenture on behalf of the Guarantors.

Section 10.04 *Guarantors May Consolidate, etc., on Certain Terms.*

Except as otherwise provided in Section 10.05 hereof, a Guarantor that is a Subsidiary of the Company may not: (1) consolidate or merge with or into another Person (whether or not such Guarantor is the surviving Person), or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of such Guarantor in one or more related transactions, to another Person, other than the Issuer or another Guarantor, unless:

(a) immediately after giving effect to such transaction or series of transactions, no continuing Default or Event of Default exists; and

(b) either:

(1) subject to Section 10.05 hereof, the Person acquiring the properties or assets in any such sale, assignment, transfer, conveyance or other disposition or the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) assumes all the obligations of that Guarantor under its Note Guarantee and this Indenture pursuant to a supplemental indenture, in form reasonably satisfactory to the Trustee; or

(2) the transaction or series of transactions does not violate Section 4.10 hereof.

In case of any such consolidation, merger, sale or other disposition and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee of the Guarantor and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person will succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the notations of Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Issuer and delivered to the Trustee. All the Note Guarantees so issued will in all respects have the same legal rank and benefit under this Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5 hereof, and notwithstanding clauses (b)(1) and (2) above, nothing contained in this Indenture or in any of the Notes will prevent any consolidation or merger of a Guarantor that is a Subsidiary of the Company with or into the Issuer or another Guarantor, or will prevent any sale or other disposition of the properties or assets of a Guarantor that is a Subsidiary of the Company as an entirety or substantially as an entirety to the Issuer or another Guarantor.

Section 10.05 *Releases*.

The Note Guarantee of a Guarantor (other than the Company) shall be automatically released:

(a) in connection with any sale or other disposition of all or substantially all of the properties or assets of that Guarantor by way of merger, consolidation or otherwise, to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company if the sale or other disposition does not violate Section 4.10 hereof;

(b) in connection with any sale or other disposition of Capital Stock of that Guarantor by way of merger, consolidation or otherwise to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition does not violate Section 4.10 hereof and such Guarantor ceases to be a Restricted Subsidiary of the Company as a result of the sale or other disposition;

(c) upon designation of such Guarantor as an Unrestricted Subsidiary in accordance with the terms of this Indenture;

(d) upon the liquidation or dissolution of such Guarantor; or

(e) at such time as such Guarantor does not Guarantee any Indebtedness of the Issuer or any other Guarantor under a Credit Facility (other than the Notes).

In addition, the Note Guarantee of a Guarantor and its obligations under the Indenture and the Notes shall be automatically released upon Legal Defeasance or Covenant Defeasance in accordance with Article 8 hereof or satisfaction and discharge of this Indenture in accordance with Article 11 hereof.

The Trustee shall execute any documents reasonably requested by the Issuer in order to evidence the release of any Guarantor from its obligations under its Note Guarantee; *provided* that prior to executing such documents, the Trustee shall be entitled to receive from the Issuer an Officers' Certificate and an Opinion of Counsel compliant with Section 12.02 to the effect that the conditions precedent to such release have been satisfied. Any failure by the Trustee to execute such documents shall, however, not affect the automatic release and discharge of the Note Guarantee and the other obligations of any Guarantor as contemplated by the foregoing provisions of this Section 10.04. Any Guarantor not released from its obligations under its Note Guarantee as provided in this Section 10.05 will remain liable for the full amount of principal of, premium, if any, on, and interest, if any, on, the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11
SATISFACTION AND DISCHARGE

Section 11.01 *Satisfaction and Discharge*.

This Indenture will be satisfied and discharged and will cease to be of further effect as to all Notes issued hereunder (except as to surviving rights of registration of transfer or exchange of the Notes and as otherwise specified in this Article 11), when:

(a) either:

(1) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Issuer, have been delivered to the Trustee for cancellation; or

(2) all Notes that have not been delivered to the Trustee for cancellation have become due and payable or will become due and payable within one year by reason of the giving of a notice of redemption or otherwise and the Issuer or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, without consideration of any reinvestment of interest (which, in the case of Government Securities will be evidenced by an opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants delivered to the Trustee), to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal of, premium, if any, on, or interest on, the Notes to the date of Stated Maturity or redemption (*provided* that if such redemption is made as provided in Section 3.07(b) hereunder (x) the amount of cash in U.S. dollars, non-callable Government Securities, or a combination thereof, that must be irrevocably deposited will be determined using an assumed Applicable Premium calculated as of the date of such deposit and (y) the depositor must irrevocably deposit or cause to be deposited additional money in trust on the redemption date as necessary to pay the Applicable Premium as determined by such date);

(b) the Issuer has or any Guarantor has paid or caused to be paid all other sums payable by the Issuer under this Indenture; and

(c) the Issuer has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at Stated Maturity or on the redemption date, as the case may be.

In addition, the Issuer must deliver an Officers' Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to subclause (2) of clause (a) of this Section 11.01, the provisions of Sections 11.02 and 8.06 hereof will survive. In addition, nothing in this Section 11.01 will be deemed to discharge those provisions of Section 7.06 hereof, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 11.02 *Application of Trust Money*.

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 11.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal, premium, if any, and interest, if any, for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or Government Securities in accordance with Section 11.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuer's and any Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 11.01 hereof; *provided* that if the Issuer has made any payment of principal of, premium, if any, on, and interest, if any, on, any Notes because of the reinstatement of their obligations, the Issuer shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Securities held by the Trustee or Paying Agent.

The Issuer shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or Government Securities deposited pursuant to Section 11.01 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders.

ARTICLE 12
MISCELLANEOUS

Section 12.01 *Notices*.

Any notice or communication by the Issuer, any Guarantor or the Trustee to the others is duly given if in writing in the English language and delivered in Person or by first class mail (registered or certified, return receipt requested), electronic image scan, facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Issuer and the Guarantors:

Berry Petroleum Corporation
Berry Petroleum Company, LLC
5201 Truxtun Avenue
Suite 100
Bakersfield, California 93309
Attention: Chief Financial Officer

If to the Trustee:

Wells Fargo Bank, National Association
333 South Grand Avenue, 5th Floor Site 5A
MAC E2064-05A
Los Angeles, California 90071
Attention: Corporate Trust Services

The Issuer, any Guarantor or the Trustee, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by electronic image scan or facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery; provided that any notice or communication delivered to the Trustee shall be deemed effective upon actual receipt thereof.

Any notice or communication to a Holder will be mailed by first class mail (or sent electronically if DTC is the recipient), certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar, except that all notices and communications to the Depositary as a Holder shall be given in the manner it prescribes, notwithstanding anything to the contrary indication herein. Failure to send a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders.

If a notice or communication is given in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Issuer or the Company sends a notice or communication to Holders, it will send a copy to the Trustee and each Agent at the same time.

Section 12.02 *Certificate and Opinion as to Conditions Precedent.*

Upon any request or application by the Company or the Issuer to the Trustee to take any action under this Indenture (other than the issuance of the Initial Notes on the date hereof), the Company shall furnish to the Trustee:

(a) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 12.03 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(b) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 12.03 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 12.03 *Statements Required in Certificate or Opinion.*

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

(a) a statement that the person making such certificate or opinion has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(d) a statement as to whether or not, in the opinion of such person, such condition or covenant has been satisfied.

Section 12.04 *Rules by Trustee and Agents*.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 12.05 *No Personal Liability of Directors, Managers, Officers, Employees and Members*.

No director, manager, officer, partner, employee, incorporator or member or other owner of any Capital Stock of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, this Indenture or the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

Section 12.06 *Governing Law*.

THE LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES.

Section 12.07 *Waiver of Jury Trial*.

EACH OF THE ISSUER, THE GUARANTORS AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 12.07 *No Adverse Interpretation of Other Agreements*.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 12.08 *Successors*.

All agreements of the Company and the Issuer in this Indenture and the Notes will bind their respective successors. All agreements of the Trustee in this Indenture will bind its successors. All agreements of each Guarantor in this Indenture will bind its successors, except as otherwise provided in Section 10.05 hereof.

Section 12.09 *Severability*.

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 12.10 *Counterpart Originals*.

The parties may sign any number of copies of this Indenture, and each party hereto may sign any number of separate copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 12.11 *Table of Contents, Headings, etc*.

The Table of Contents and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof. Except with respect to specific provisions of the TIA expressly referenced in the provisions of this Indenture, the Trust Indenture Act shall not be applicable to, and shall not govern, this Indenture, the Notes and the Note Guarantees.

Section 12.12 *Payment Date Other Than a Business Day*.

If any payment with respect to any principal of, premium, if any, on, or interest or, if any, on, any Note (including any payment to be made on any date fixed for redemption or purchase of any Note) is due on a day which is not a Business Day, then the payment need not be made on such date, but may be made on the next Business Day with the same force and effect as if made on such date, and no interest will accrue for the intervening period.

Section 12.13 *Evidence of Action by Holders*.

Whenever in this Indenture it is provided that the Holders of a specified percentage in aggregate principal amount of the Notes may take action (including the making of any demand or request, the giving of any direction, notice, consent or waiver or the taking of any other action) the fact that at the time of taking any such action the Holders of such specified percentage have joined therein may be evidenced (a) by any instrument or any number of instruments of similar tenor executed by Holders in person or by agent or proxy appointed in

writing, (b) by the record of the Holders voting in favor thereof at any meeting of Holders duly called and held in accordance with procedures approved by the Trustee, (c) by a combination of such instrument or instruments and any such record of such a meeting of Holders or (d) in the case of Notes evidenced by a Global Note, by any electronic transmission or other message, whether or not in written format, that complies with the Depositary's applicable procedures.

Section 12.14 *U.S.A. Patriot Act*.

The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify and record information that identities each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

Section 12.15 *Force Majeure*.

In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, or other unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

[Signatures on following page]

SIGNATURES

Dated as of February 8, 2018

BERRY PETROLEUM COMPANY, LLC,
as Issuer

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and Chief Financial Advisor

BERRY PETROLEUM CORPORATION,
as Guarantor and the Company

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and Chief Financial Advisor

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: /s/ Maddy Hughes
Name: Maddy Hughes
Title: Vice President

[*Signature page to Indenture*]

EXHIBIT A

[Face of Note]

CUSIP _____
ISIN _____

7.000% Senior Notes due 2026

No. ____ $_____

BERRY PETROLEUM COMPANY, LLC

promises to pay to _____ or registered assigns,

the principal sum of _____ DOLLARS [or such greater or lesser amount as may be indicated on the attached Schedule of Exchanges of Interests in the Global Note] on February 15, 2026.

Interest Payment Dates: February 15 and August 15

Record Dates: February 1 and August 1

BERRY PETROLEUM COMPANY, LLC

By: _____
Name:
Title:

This is one of the Notes referred to in the within-mentioned Indenture:

Dated: _____

WELLS FARGO BANK, NATIONAL ASSOCIATION as Trustee

By: _____
Authorized Signatory

[BACK OF NOTE]

7.000% SENIOR NOTES DUE 2026

[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture]

[Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture]

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST*. Berry Petroleum, LLC, a Delaware limited liability company (the "*Issuer*") promises to pay or cause to be paid interest on the unpaid principal amount of this Note at 7.0% per annum from [ ]. The Issuer will pay interest, if any, semi-annually in arrears on February 15 and August 15 of each year (each, an "*Interest Payment Date*"); *provided* that the first Interest Payment Date shall be [ ]. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided* that, if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. If any payment with respect to any principal of, premium, if any, on, or interest, if any, on any Note (including any payment to be made on any date fixed for redemption or purchase of any Note) is due on a day which is not a Business Day, then the payment need not be made on such date, but may be made on the next Business Day with the same force and effect as if made on such date, and no interest will accrue for the intervening period.

(2) *METHOD OF PAYMENT*. The Issuer will pay interest on the Notes (except defaulted interest), if any, to the Persons who are registered Holders of Notes at the close of business on the February 1 and August 1 next preceding the Interest Payment Date, whether or not a Business day, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, if any, and interest, if any, at the office or agency of the Issuer maintained for such purpose described in the Indenture, or, at the option of the Issuer, payment of interest, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided* that payment by wire transfer of immediately available funds will be required with respect to principal of, premium, if any, on, and interest, if any, on, all Global Notes and all other Notes the Holders of at least $5.0 million principal amount of which will have provided wire transfer instructions to an account in the continental United States to the Issuer or the Paying Agent at least five Business Days prior to the applicable payment date. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR.* Initially, Wells Fargo Bank, National Association, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Issuer may change the Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

(4) *INDENTURE*. The Issuer issued the Notes under an Indenture dated as of February 8, 2018 (the "*Indenture*") among the Issuer, the Guarantors and the Trustee. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling to the extent permitted by law. The Notes are unsecured obligations of the Issuer. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION*.

(a) At any time prior to February 15, 2021, the Issuer may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under the Indenture, upon notice as provided in the Indenture, at a redemption price equal to 107.000% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to the date of redemption (subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant Interest Payment Date), with an amount of cash not greater than the net cash proceeds of one or more Equity Offerings, *provided* that:

(A) at least 65% of the aggregate principal amount of Notes originally issued under the Indenture on the date of this Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(B) the redemption occurs within 180 days of the date of the closing of such Equity Offering.

(b) At any time prior to February 15, 2021, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon notice as provided in the Indenture, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the Applicable Premium, and accrued and unpaid interest, if any, to the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date.

(c) The Issuer may redeem all (but not a portion of) the Notes when permitted by, and pursuant to the conditions in, Section 4.15(e) of the Indenture.

(d) Except pursuant to the preceding paragraphs, the Notes will not be redeemable at the Issuer's option prior to February 15, 2021. The Issuer will not be, however, prohibited from acquiring the Notes by means other than a redemption, whether pursuant to a tender offer, open market purchase or otherwise.

(e) On or after February 15, 2021, the Issuer may on any one or more occasions redeem all or a part of the Notes, upon notice as provided in the Indenture, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on February 15 of the years indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant Interest Payment Date:

Year	Percentage
2021	105.250%
2022	103.500%
2023	101.750%
2024 and thereafter	100.000%

Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(6) *MANDATORY REDEMPTION.* The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) *REPURCHASE AT THE OPTION OF HOLDER.*

(a) If there is a Change of Control, the Issuer will be required to make an offer (a "*Change of Control Offer*") to each Holder to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of each Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, thereon to the date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date (the "*Change of Control Payment*"). Within 30 days following any Change of Control, the Issuer will send a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) If the Company or a Restricted Subsidiary of the Company consummates any Asset Sales, the Issuer may be required as set forth in the Indenture to apply Excess Proceeds to make an Asset Sale Offer to all Holders of Notes and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in the Indenture with respect to offers to purchase. Holders of Definitive Notes that are the subject of an offer to purchase will receive an Asset Sale Offer from the Issuer prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "*Option of Holder to Elect Purchase*" attached to the Notes.

(8) *NOTICE OF REDEMPTION*. At least 30 days but not more than 60 days before a redemption date, the Issuer will mail or cause to be mailed, by first class mail, or send electronically if DTC is the recipient, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be sent more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture pursuant to Article 8 or 11 thereof. Notes and portions of Notes selected will be in amounts of minimum denominations of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed, the entire outstanding amount of Notes held by such Holder shall be redeemed.

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuer may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Issuer need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Issuer need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the next succeeding Interest Payment Date.

(10) *PERSONS DEEMED OWNERS*. The registered Holder of a Note may be treated as the owner of it for all purposes. Only registered Holders have rights under the Indenture.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER*. Subject to certain exceptions, the Indenture, the Notes or the Note Guarantees may be amended or supplemented with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class, and any existing Default or Event of Default or compliance with any provision of the Indenture or the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class. Without the consent of any Holder of Notes, the Indenture, the Notes or the Note Guarantees may be amended or supplemented as provided in the Indenture.

(12) *DEFAULTS AND REMEDIES*. In the case of an Event of Default arising from certain events of bankruptcy or insolvency with respect to the Issuer, the Company, any Restricted Subsidiary of the Company that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, then the principal of and accrued and unpaid interest on all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare the principal of and accrued and unpaid interest on the Notes to be due and payable

immediately. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal, premium, if any, or interest, if any) if it determines that withholding notice is in their interest. The Holders of a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may, on behalf of all the Holders, rescind an acceleration or waive an existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of principal of, premium, if any, on, or interest, if any, on, the Notes (including in connection with an offer to purchase any Notes).

(13) *TRUSTEE DEALINGS WITH ISSUER*. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Issuer or its Affiliates, and may otherwise deal with the Issuer or its Affiliates, as if it were not the Trustee.

(14) *NO RECOURSE AGAINST OTHERS*. No director, officer, employee, incorporator or stockholder or other owner of any Capital Stock of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, the Indenture or the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

(15) *AUTHENTICATION*. This Note will not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(16) *ABBREVIATIONS*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *CUSIP NUMBERS*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(18) *GOVERNING LAW.* THE LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THIS NOTE AND THE NOTE GUARANTEES.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

Berry Petroleum Corporation
Berry Petroleum Company, LLC
5201 Truxtun Avenue
Suite 100
Bakersfield, California 93309
Attention: Chief Financial Officer

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: _____
(Insert assignee's legal name)

_____
(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

_____
(Print or type assignee's name, address and zip code)

and irrevocably appoint _____
to transfer this Note on the books of the Issuer. The agent may substitute another to act for him.

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Issuer pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

☐ Section 4.10 ☐ Section 4.15

If you want to elect to have only part of the Note purchased by the Issuer pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

$_____

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: _____

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE *

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized officer of Trustee or Custodian

* *This schedule should be included only if the Note is issued in global form.*

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

Berry Petroleum Company, LLC
5201 Truxtun Avenue
Suite 100
Bakersfield, California 93309

Wells Fargo Bank, National Association
600 S. 4th Street – 7th Floor
MAC N9303-121
Minneapolis, MN 55415-1526
Phone: 1-800-344-5128
Fax: 1-866-969-1290
Email: Bondholdercommunications@wellsfargo.com

Re: 7.000% Senior Notes due 2026

Reference is hereby made to the Indenture, dated as of February 8, 2018 (the "*Indenture*"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "*Issuer*"), the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of $____ in such Note[s] or interests (the "*Transfer*"), to _____ (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Restricted Definitive Note pursuant to Rule 144A**. The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Temporary Global Note, the Regulation S Permanent Global Note or a Restricted Definitive Note pursuant to Regulation S**. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Permanent Global Note, the Regulation S Temporary Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a Restricted Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S**. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

OR

(b) ☐ such Transfer is being effected to the Company or a subsidiary thereof;

OR

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

4. ☐ **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**.

(a) ☐ **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the

Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer.

_____
[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee)

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (A) OR (B)]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP), or

(ii) ☐ Regulation S Temporary Global Note (CUSIP), or

(iii) ☐ Regulation S Permanent Global Note (CUSIP); or

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP), or

(ii) ☐ Regulation S Global Note (CUSIP), or

(iii) ☐ Unrestricted Global Note (CUSIP); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

Berry Petroleum Company, LLC
5201 Truxtun Avenue
Suite 100
Bakersfield, California 93309

Wells Fargo Bank, National Association
600 S. 4th Street – 7th Floor
MAC N9303-121
Minneapolis, MN 55415-1526
Phone: 1-800-344-5128
Fax: 1-866-969-1290
Email: Bondholdercommunications@wellsfargo.com

Re: 7.000% Senior Notes due 2026

(CUSIP [_____])

Reference is hereby made to the Indenture, dated as of February 8, 2018 (the "*Indenture*"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "*Issuer*"), the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the "*Owner*") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of $____ in such Note[s] or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note**. In connection with the Exchange of the Owner's Restricted

Definitive Note for a beneficial interest in the [CHECK ONE] ☐ 144A Global Note, ☐ Regulation S Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

Signature Guarantee*:_____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee)

EXHIBIT D

[FORM OF NOTATION OF GUARANTEE]

For value received, each Guarantor (which term includes any successor Person under the Indenture) has, jointly and severally, unconditionally guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture, dated as of February 8, 2018 (the "*Indenture*"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "*Issuer*"), the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee (the "*Trustee*"), (a) the due and punctual payment of the principal of, premium, if any, on, and interest, if any, on, the Notes, whether at Stated Maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of, premium, if any, on, and interest, if any, on, the Notes, if any, if lawful, and the due and punctual performance of all other obligations of the Issuer to the Holders or the Trustee all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise. The obligations of the Guarantors to the Holders of Notes and to the Trustee pursuant to the Note Guarantee and the Indenture are expressly set forth in Article 10 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

Capitalized terms used but not defined herein have the meanings given to them in the Indenture.

[NAME OF GUARANTOR(S)]

By: _____
Name:
Title:

EXHIBIT E

[FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS]

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of , among (the "*Guaranteeing Subsidiary*"), a subsidiary of Berry Petroleum Corporation, a Delaware corporation (the "*Company*"), Berry Petroleum Company, LLC, a Delaware limited liability company (the "*Issuer*"), the Company, and Wells Fargo Bank, National Association, as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, the Issuer and the Guarantors named therein have heretofore executed and delivered to the Trustee an indenture (the "*Indenture*"), dated as of February 8, 2018 providing for the issuance of 7.000% Senior Notes due 2026 (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally Guarantee all of the Issuer's Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Note Guarantee*"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. The Guaranteeing Subsidiary hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 10 thereof.

4. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder or other owner of any Capital Stock of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, the Indenture or the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

5. NEW YORK LAW TO GOVERN. THE LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SUPPLEMENTAL INDENTURE.

6. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

7. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

8. THE TRUSTEE. The Trustee makes no representation as to and shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Company, the Issuer and the Guaranteeing Subsidiary.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: ,

[GUARANTEEING SUBSIDIARY]

By: _____
Name:
Title:

BERRY PETROLEUM COMPANY, LLC

By: _____
Name:
Title:

BERRY PETROLEUM CORPORATION

By: _____
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION
As Trustee

By: _____
Authorized Signatory

Exhibit 10.1

ASSIGNMENT AGREEMENT

This Assignment Agreement (this "Assignment") is made and entered into to be effective as of February 28, 2017 (the "Effective Date"), by and between Linn Acquisition Company, LLC, a Delaware limited liability company (the "Assignor"), and Berry Petroleum Corporation, a Delaware corporation (the "Assignee").

Preliminary Statements

A. Assignor is the sole member of Berry Petroleum Company, LLC, a Delaware limited liability company (the "Company"), and is the sole beneficial and record owner of all right, title and interest in the membership interests of the Company (the "Member Interests").

B. On May 11, 2016, Assignor, the Company and their affiliates Linn Energy, LLC, LinnCo, LLC, and certain of LINN Energy, LLC's direct and indirect subsidiaries (collectively, the "Debtors"), filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas (the "Court"). The Debtors' Chapter 11 cases are being administered jointly under the caption In re Linn Energy, LLC, et al., Case No. 16-60040 (the "Chapter 11 Cases").

C. On January 27, 2017, the Court entered the *Order Confirming (I) Amended Joint Chapter 11 Plan of Reorganization of Linn Energy, LLC and its Debtor Affiliates Other Than Linn Acquisition Company, LLC and Berry Petroleum Company, LLC and (II) Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC* (the "Confirmation Order"), which approved and confirmed the Amended Joint Chapter 11 Plan of Reorganization of Assignor and the Company (the "Plan").

D. Pursuant to the Plan, the Company is to become a wholly-owned operating subsidiary of Assignee, which is to be effected by Assignor assigning all of its right, title and interest in the Member Interests to Assignee. In order to implement the transfer of the Member Interests to Assignee, Assignor and Assignee are entering into this Assignment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Agreement

1. Assignment. As of the Effective Date, Assignor does hereby CONTRIBUTE, ASSIGN, CONVEY, TRANSFER AND DELIVER to Assignee, its successors and assigns, to have and to hold forever, the Member Interests and any and all income, distributions, value, rights, benefits and privileges associated therewith or deriving therefrom.

2. Substitution as Member. From and after the Effective Date, Assignee shall be substituted for Assignor as the sole member of the Company and the sole record and beneficial owner of all ownership interests in the Company. From and after the Effective Date, Assignor shall and does hereby withdraw from the Company as a member, ceases to be a member of the Company and ceases to have or exercise any right or power as a member of the Company. The parties hereto agree that the assignment of the Member Interests, the admission of Assignee as a substitute member of the Company and the withdrawal of Assignor as a member of the Company shall not dissolve the Company and the business of the Company shall continue.

3. Consent to Assignment. Assignor hereby consents to the admittance of Assignee as a substitute member of the Company. Assignor hereby waives all provisions, if any, in the Limited Liability Company Agreement of the Company or provided in the Delaware Limited Liability Company Act or any other applicable law, that would prohibit, delay, require notice of, grant rights in connection with, or require compliance with any other requirements in connection with, such assignment and admission.

4. General Provisions.

(a) Applicable Law. THIS ASSIGNMENT AND THE RIGHTS OF THE PARTIES HEREUNDER SHALL BE INTERPRETED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAWS OR PRINCIPLES THAT MIGHT REFER THE GOVERNANCE OR CONSTRUCTION OF THIS ASSIGNMENT TO THE LAW OF ANOTHER JURISDICTION.

(b) Counterparts. This Assignment may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument. Execution and delivery of this Assignment by exchange of facsimile or other electronically transmitted counterparts bearing the signature of a party hereto shall be equally as effective as delivery of a manually executed counterpart by such party.

[*Signature page follows.*]

IN WITNESS WHEREOF, this Assignment has been duly executed by each of the parties hereto to be effective as of the Effective Date.

ASSIGNOR:

LINN ACQUISITION COMPANY, LLC

By: /s/ Candice J. Wells
Name: Candice J. Wells
Title: Senior Vice President, General Counsel and Corporate Secretary

[SIGNATURE PAGE TO ASSIGNMENT AGREEMENT]

ASSIGNEE:

BERRY PETROLEUM CORPORATION

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: Chief Executive Officer

[SIGNATURE PAGE TO ASSIGNMENT AGREEMENT]

Exhibit 10.2

TRANSITION SERVICES AND SEPARATION AGREEMENT

THIS TRANSITION SERVICES AND SEPARATION AGREEMENT (this "**Agreement**"), dated February 28, 2017, is made by and between Linn Operating, Inc., a Delaware corporation ("**LOI**"), Linn Midstream, LLC, a Delaware limited liability company ("**LM**"), Linn Energy, LLC, a Delaware limited liability company ("**Linn Energy"),** LinnCo, LLC, a Delaware limited liability company ("**LC**"), Linn Energy Finance Corp., a Delaware corporation ("**LEF**"), Linn Energy Holdings, LLC, a Delaware limited liability company ("**LEH**"), Linn Exploration & Production Michigan LLC, a Delaware limited liability company ("**LE&PM**"), Linn Exploration Midcontinent, LLC, a Delaware limited liability company ("**LEM**"), Linn Midwest Energy LLC, a Delaware limited liability company ("**LME**"), Mid-Continent I, LLC, a Delaware limited liability company ("**MC-I**"), Mid-Continent II, LLC, a Delaware limited liability company ("**MC-II**"), Mid-Continent Holdings I, LLC, a Delaware limited liability company ("**MCH-I**"), Mid-Continent Holdings II, LLC, a Delaware limited liability company ("**MCH-II**") (LOI, LM, Linn Energy, LC, LEF, LEH, LE&PM, LEM, LME, MC-I, MC-II, MCH-I and MCH-II are referred to in this Agreement collectively as "**LINN**"; provided, however, that with respect to particular uses of the term in this Agreement, "LINN" shall mean each, any or all of LOI, LM, Linn Energy, LC, LEF, LEH, LE&PM, LEM, LME, MC-I, MC-II, MCH-I and MCH-II as applicable to the context of such use), and Berry Petroleum Company, LLC, a Delaware limited liability company ("**Berry**"). Each of LINN and Berry is referred to in this Agreement individually as a "**Party**," and LINN and Berry are referred to in this Agreement collectively as the "**Parties.**" Capitalized terms used in this Agreement shall have the respective meanings set forth in Exhibit A.

Recitals

WHEREAS, Berry is engaged in the business of onshore oil and natural gas exploration, development, and production in the United States and owns various oil and gas properties and associated assets;

WHEREAS, on December 16, 2013, Berry completed the transactions contemplated by the merger agreement between Linn Energy, LC, and Berry pursuant to which LC acquired all of the outstanding common shares of Berry and Berry became an indirect wholly owned subsidiary of Linn Energy;

WHEREAS, all employees of Berry that were retained after completion of such transactions became employees of LOI and, along with other LINN personnel, have provided administrative, management, operating, and other services and support to Berry in accordance with an agency agreement and power of attorney;

WHEREAS, in connection with the provision of such services and support, various assets, contracts, permits, records, funds, and other rights and interests attributable or relating to Berry's business were acquired or have been held by or in the name of LOI, and various gathering, processing, sales and similar midstream and marketing contracts related to Hydrocarbons owned by Berry have been entered into by LOI or LM;

WHEREAS, on May 11, 2016, Linn Energy and its subsidiaries (including Berry) filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas;

WHEREAS, on July 11, 2016, Berry filed a Statement of Assets and Liabilities and Schedule of Financial Affairs reflecting all of the real and personal property and other assets and interests owned by Berry as of May 11, 2016 (the "**Berry Statement of Assets and Liabilities");**

WHEREAS, an Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC (as amended, supplemented, or otherwise modified, the "Berry **Consensual Plan")** was filed on December 21, 2016, and an Amended Joint Chapter 11 Plan of Reorganization of Linn Energy, LLC and its Debtor Affiliates Other Than Linn Acquisition Company, LLC and Berry Petroleum Company, LLC (as amended, supplemented, or otherwise modified, the "**LINN Consensual Plan")** was filed on December 21, 2016; and

WHEREAS, the Parties are entering into this Agreement in accordance with the Berry Consensual Plan and the LINN Consensual Plan in order to set forth the terms and conditions pursuant to which (i) LINN will continue to provide, or cause to be provided, administrative, management, operating, and other services and support to Berry during a transitional period following the Effective Date and (ii) LINN and Berry will separate their previously combined enterprise and transfer all Berry Related Assets (and any other Berry Assets held in the name of LINN) to Berry under the terms and conditions specified herein.

NOW, THEREFORE, in consideration of the premises set forth in the recitals above and the covenants set forth herein and the benefits to be derived hereunder, the Parties agree as follows.

Agreement

1. Transition Services. LINN shall provide, or cause to be provided, to Berry the services described in this Article 1 and Exhibit B (collectively, the "**Services**") during the Transition Period, and, with respect to the portion of the Services described in Sections 1.8, 1.11, 1.13, 1.14, 1.16 and 1.17 during the Accounting Period. Subject to Section 2.1, the Services shall be substantially the same as, and at the same level and manner as, those that have been provided with respect to the Berry Assets during the three month period immediately preceding the Effective Date (the "**Reference Period**"), and in addition shall include the provision of certain historical operating and financial data as provided herein. For the avoidance of doubt, LINN shall have the right to perform particular portions of the Services through (i) one or more of the LINN entities or (ii) to the extent previously performed by one or more Third Parties, such Third Party or Third Parties (or any other Third Parties determined by LINN to be reasonably equivalent; provided, however, that, if such other Third Parties are to perform material Third Party activities (such as drilling contractors), then such other Third Parties must be approved by Berry in advance for such portion of the Services); provided, however, that no such performance by a LINN entity or a Third Party of a portion of the Services shall

relieve LINN collectively from any liability under this Agreement with respect to such portion of the Services; provided, further, that if Berry does not approve a Third Party's provision of Services and such failure causes LINN to be unable to provide the Services on a commercially reasonable basis, LINN will be excused from performing such Services or portion thereof without penalty until an acceptable provider is approved by Berry.

1.1 Operator Services. LINN shall continue to be the operator of record for the Operated Berry Properties during the Transition Period of this Agreement. During the Transition Period, LINN shall (i) continue to perform, on Berry's behalf, Berry's duties as operator of the Operated Berry Properties and (ii) provide such additional operations services with respect to the Operated Berry Properties that are described in Section 1.1 of Exhibit B. For the avoidance of doubt, LINN's obligations under this Agreement relative to accounting and disbursement of production are limited to the production of Hydrocarbons prior to the end of the Transition Period, as further described in Sections 1.1, 1.6, and 1.11 of Exhibit B.

1.2 Non-Operator Services. During the Transition Period, LINN shall perform the administrative and management services with respect to the Non-Operated Berry Properties that are described in Section 1.2 of Exhibit B. LINN shall promptly provide Berry with customary details, and obtain prior written consent from Berry, for any authorizations for expenditure ("**AFE**") or other proposals submitted to LINN from any Third Party operator of the Non-Operated Berry Properties (in each case, to the extent any of the foregoing are provided by such Third Party operator), it being understood that LINN will request additional detail or information regarding such AFE or other proposal on behalf of Berry if requested by Berry. If Berry fails to respond in writing 24 hours in advance of the deadline provided by a Third Party or under the applicable contract with respect to such AFE or other proposal, then LINN may respond in the ordinary course of business using its business judgment to determine the response that, in LINN's reasonable belief based on the information available to LINN, would be in the best interest of Berry; provided, however, that LINN shall not owe, and nothing herein shall be deemed to impose, any fiduciary duties in favor of Berry. LINN shall promptly forward to Berry any AFE related to the Berry Properties that LINN receives subsequent to the end of the Transition Period.

1.3 Permits. LINN shall use reasonable best efforts to maintain all Berry Permits as described in Section 1.3 of Exhibit B during the Transition Period. With respect to the Berry Permits that are held in the name of LINN and are transferable or assignable, LINN shall transfer or assign such Berry Permits to Berry on or before the end of the Transition Period, as appropriate, and Berry shall accept such transfer or assignment if required under Applicable Law; provided, however, that any costs or expenses associated with such transfer or assignment shall be the sole responsibility of, and paid entirely by, Berry in accordance with and subject to the terms and conditions of Section 5.2(A). LINN shall have no obligation to secure the required bonding, insurance, registration, or approvals to do business in a particular state or area on behalf of Berry to allow for such a Berry Permit transfer, and shall not be responsible to the extent it is not reasonably practicable to transfer or assign any Berry Permit to Berry at the end of the Transition Period or at all.

1.4 Transportation and Marketing. LINN shall provide, or cause to be provided, (i) midstream services, (ii) transportation and marketing services, (iii) gas control services, and (iv) other similar services to sell the Hydrocarbons produced from the Operated Berry Properties prior to the end of the Transition Period, as further described in Section 1.4 of Exhibit B. LINN shall maintain and administer the Berry Contracts and other contractual arrangements to sell the Hydrocarbons produced from the Berry Properties in its ordinary course of business through the end of the Transition Period. Subject to and in accordance with Section 2.10, LINN may negotiate new or replacement Berry contracts related to and as part of the Services described in this Section 1.4 on month-to-month terms; provided, however, that LINN will not provide any legal services related to such negotiation and any such contract will ultimately be executed by an authorized Berry officer or other authorized representative of Berry on behalf of Berry.

1.5 Well Maintenance. With respect to the Berry Wells included in the Operated Berry Properties, during the Transition Period, LINN shall provide supervision for remedial operations and well service operations, and establish and maintain well files, as further described in Section 1.5 of Exhibit B.

1.6 Payment Services. Subject to Article 5, during the Transition Period, LINN shall make payments associated with the ownership, operation, use, or maintenance of the Berry Properties as further described in Section 1.6 of Exhibit B; provided, however, that in no event will LINN be required to expend funds and other resources beyond levels projected in Berry's 2017 capital budget as of January 1, 2017.

1.7 Lease and Land Administration. During the Transition Period, LINN shall provide land, land administration, lease, and title services with respect to the Berry Properties, including those Services described in Section 1.7 of Exhibit B. For the avoidance of doubt, during the Transition Period, LINN shall provide assistance preparing any land attachment required for a mortgage filing, but the preparation of mortgages and filing of mortgages and related documents will be Berry's responsibility.

1.8 Regulatory Affairs. During the Accounting Period, but only with respect to the Hydrocarbons produced from and activities related to the Berry Properties prior to the end of the Transition Period, LINN shall provide the Services described in Section 1.8 of Exhibit B relating to regulatory requirements applicable to the Berry Properties. For the avoidance of doubt, LINN shall have no obligation to make regulatory filings required to qualify Berry as the operator of any of the Berry Properties, and such obligation shall be handled entirely by Berry prior to the end of the Transition Period. Notwithstanding anything to the contrary

contained herein, LINN shall have no responsibility for any information provided by Berry to LINN that may be included in any regulatory filing or undertaking, nor shall it be responsible to the extent of any investigation, inquiry or action taken by any Governmental Authority in relation to the Services, except to the extent resulting from or related to the gross negligence or willful misconduct of LINN.

1.9 Plugging and Abandonment. As described in Section 1.9 of Exhibit B, LINN (i) shall obtain necessary non-operating working interest owner approval and regulatory permits to abandon any Berry Wells included in the Operated Berry Properties when required under Applicable Law to be abandoned during the Transition Period, (ii) shall provide supervision for abandonment operations of such Berry Wells during the Transition Period, and (iii) shall file all necessary abandonment reports after completion of such operations. For the avoidance of doubt, all proposed abandonments must be approved by Berry prior to permitting or commencement of actual abandonment operations unless such abandonments are described in Schedule 9.

1.10 Environmental Compliance. If LINN discovers that any of the Berry Properties are not in compliance in all material respects with environmental, health, or safety laws, rules, or regulations during the Transition Period, then LINN shall notify Berry of such non-compliance, as described in Section 1.10 of Exhibit B. If such condition exists on an Operated Berry Property and either represents imminent danger or is required under Applicable Law to be remediated immediately, then LINN shall, unless otherwise instructed by Berry, remediate such condition at Berry's sole cost and expense, subject to the indemnity obligations described in this Agreement. Nothing in this Agreement shall obligate LINN to undertake a review, audit, or other query relating to environmental, health, or safety laws, rules, or regulations applicable to any of the Berry Properties except to the extent set out in Section 1.10 of Exhibit B.

1.11 Bookkeeping; Finance and Treasury; Accounting. During the Accounting Period, but only with respect to the Hydrocarbons produced from and activities related to the Berry Properties prior to the end of the Transition Period, LINN shall provide services for the bookkeeping, finance and treasury, and accounting functions as further described in Section 1.11 of Exhibit B. LINN shall perform services for revenue, joint interest accounting, production, and regulatory reporting functions attributable to the Berry Properties, and shall provide a statement with respect to each month (the "**Monthly Statement**") reflecting the same no later than the 15th day following such month. Except as otherwise provided herein, LINN's obligations under this Agreement relative to accounting and disbursement of production are limited to the Hydrocarbons produced from and activities related to the Berry Properties prior to the end of the Transition Period.

1.12 Real Estate; Facilities. During the Transition Period, LINN shall manage all Berry Facilities and the Hill Field Offices in connection with the operation of the Berry Properties (or as otherwise related to the Services), as further described in Section 1.12 of Exhibit B. For the avoidance of doubt, LINN shall not secure new facilities or negotiate new facility leases on behalf of Berry without the prior written agreement of the Parties.

1.13 Information Technology Systems.

(A) General. To the extent LINN's information technology systems in existence as of the Effective Date and contracts with respect to such systems permit without incremental fees or other amounts payable by LINN (or with incremental fees or other amounts payable by LINN that are approved in advance by Berry as Reimbursement Expenses), LINN shall provide the information technology services described in Section 1.13 (A) Part One of Exhibit B during the Transition Period and Section 1.13(A) Part Two of Exhibit B during the Accounting Period. During the Transition Period, LINN will provide reasonable assistance to Berry in (i) identifying software licenses and IT service agreements used in connection with or attributable to the Berry Properties and (ii) determining whether such licenses or agreements are transferable or assignable; provided, however, that LINN shall not be required to negotiate or enter into new software licenses or new IT services agreements on behalf of Berry without the Parties' prior written agreement (and at Berry's sole cost and expense in accordance with and subject to the terms and conditions of Section 5.2(A)), and LINN shall not be required to maintain any license that would only be used in providing the Services if any such license is required to be renewed during the Transition Period and cannot be cancelled or terminated, without penalty or without reimbursement of any license fee related to an unused period lasting longer than three months after the end of the Transition Period. Berry may designate one or more LINN employees in the Bakersfield office to negotiate (subject to and in accordance with Section 2.10) assignments of existing Berry Software and new or replacement Berry software license agreements on Berry's behalf; provided, however, that LINN will not provide any legal services related to such negotiation and any such contract will ultimately be executed by an authorized Berry officer or other authorized representative of Berry on behalf of Berry.

(B) Mirrored Licenses. Subject to the confirmation that Berry is in the process of obtaining and will obtain prior to the end of the Transition Period (whether by transfer or new license) the licenses described on Exhibit E (the "**Mirrored Licenses**")**,** LINN shall provide the Services described in Section 1.13(B) of Exhibit B during the Transition Period.

(C) Separation Period. To the extent LINN's information technology systems in existence as of the Effective Date and contracts therefor permit without incremental fees or other amounts payable by LINN (or with incremental fees or other amounts payable by LINN that are approved in advance by Berry as Reimbursement Expenses), during the Separation Period, LINN

shall provide continued use of its telephonic and networking systems, which may be modified to restrict access to LINN's network. During the Separation Period, Berry and LINN shall cooperate to allow (i) Berry to replace all network and telephonic systems related to the Berry Assets and (ii) the rerouting of networks connected to LINN's retained hardware and also connected to Transferred Hardware, in each case, at Berry's sole cost and expense in accordance with and subject to the terms and conditions of Section 5.2(A).

(D) Existing IT Systems and Services. For the avoidance of doubt, LINN's services will not extend to creating the design, configuration or creation of separate IT systems for Berry. Notwithstanding the language in Section 1, LINN may alter existing trust relationships between domains and servers to enable provision of the Services and, with the agreement of Berry or LINN employees designated by Berry within the Bakersfield office, may alter the manner of providing the Services described in this Section 1.13 from those provided during the Reference Period as needed to complete the transition and separation of Berry Assets as by this Agreement.

1.14 Tax. As described in Section 1.14 of Exhibit B, LINN shall assist with, and maintain proper documentation for, the collection and remittance of federal, state, and local sales, use, and ad valorem taxes to the extent related to the Berry Assets during the Accounting Period, but only with respect to the Hydrocarbons produced from and activities related to the Berry Properties prior to the end of the Transition Period. In addition, LINN shall prepare and distribute 1099 forms for owners for all activity for the time period LINN is responsible for the related distributions and disbursements, and Berry shall be responsible for 1099 forms for owners for all activity effective with Berry's assumption of administrative responsibilities of the related distributions and disbursements. Berry will prepare and file any corporate income tax filings due for Berry, even if due during the Term.

1.15 Corporate Contracts. As described in Section 1.15 of Exhibit B, during the Transition Period, LINN shall perform, administer, and maintain the Berry Contracts and other contractual arrangements existing as of the Effective Date with respect to the Berry Assets (or as otherwise related to the Services). LINN will not enter into new contracts on behalf of Berry without the prior written agreement of the Parties, other than as described in Section 3.2; provided, however, that LINN may negotiate marketing agreements on behalf of Berry on a month-to-month term during the Transition Period in its ordinary course of business pursuant to and in accordance with Section 1.4 and software license agreements pursuant to and in accordance with Section 1.13(A).

1.16 Records Retention. As described in Section 1.16 of Exhibit B and to the extent related to the Berry Assets or the Services, during the Accounting Period, LINN shall provide assistance in the storage and retrieval of the Berry Records and other documentation and backup information and the provision of certain historical

operating and financial data as requested by Berry. Berry shall be responsible for all costs and expenses associated with such storage and retrieval (including incremental costs and expenses incurred by LINN in providing assistance in accordance with this Section 1.16) in accordance with and subject to the terms and conditions of Section 5.2(A).

1.17 Assistance with Transitioning the Services. During the Separation Period, LINN shall provide assistance with transitioning the performance of the Services from LINN to Berry as further described in Section 1.17 of Exhibit B; provided, however, that in no event shall LINN be required to perform any custom formatting with respect to any data or information utilized and to be provided by LINN in connection with this Agreement.

1.18 HR; Employee Benefits; Payroll. LINN shall continue to perform administration and management of human resources, employee benefits programs, and payroll services for LINN's employees and independent contractors, including the Services described in Section 1.18 of Exhibit B. For the avoidance of doubt, LINN will not put into place new benefit plans for Berry or perform any human resources or payroll services for Berry in its capacity as a direct employer.

1.19 Registration Statement. LINN shall continue to cooperate with and provide commercially reasonable assistance to Berry in connection with the preparation and filing with the United States Securities and Exchange Commission of a Form S-1 Registration Statement under the Securities Act of 1933 with respect to the preferred and common stock or limited liability company units in Berry's holding company (as formed on or before the Effective Date) or any Form 10-K or 10-Q under the Securities Act of 1933 required to be filed with the United States Securities and Exchange Commission during the Transition Period; provided, however, that LINN will not provide any representation letters; provided, further, that LINN disclaims any and all representations or warranties as to the accuracy of the data set forth in such S-1 Registration Statement, Form 10-K and/or Form 10-Q, and Berry hereby agrees to release and fully, indemnify, defend and hold harmless the LINN Indemnified Parties from and against any Claims related thereto or arising therefrom except any such Claims related to or arising from the gross negligence or willful misconduct of LINN.

1.20 Additional Services. From time to time during the Term, Berry may request that LINN provide particular services required by Berry in addition to the Services. LINN shall provide such additional services to Berry if and to the extent that LINN is reasonably capable of providing such additional services and the Parties agree upon the service fee to be paid by Berry for such additional services.

1.21 Excluded Services. For the avoidance of doubt, LINN will not be obligated to procure insurance or obtain bonds on behalf of Berry or to provide legal services to Berry (as opposed to providing internal legal support within LINN in connection with LINN's performance of the Services).

2. General.

2.1 Standard of Performance; Disclaimer of Warranties. LINN shall conduct its activities under this Agreement in respect of the Services in a manner consistent with the ordinary course performance of such activities during the Reference Period, and otherwise LINN shall perform the Services for the benefit of Berry in a manner substantially consistent with the manner, quality, and timing in which LINN performs the same activities for LINN's own benefit; provided, however, that notwithstanding anything in this Agreement to the contrary LINN shall perform its obligations under this Agreement (i) in a good and workmanlike manner, (ii) as a reasonable and prudent operator, and (iii) in accordance with Applicable Law. EXCEPT AS SET FORTH IN THE IMMEDIATELY PRECEDING SENTENCE, LINN HEREBY DISCLAIMS ANY AND ALL WARRANTIES WITH RESPECT TO THE SERVICES OR LINN'S PERFORMANCE OF THE SERVICES, INCLUDING DISCLAIMING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

2.2 Notice of Accidents. LINN shall promptly provide Berry notice of any material accidents or emergencies that occur with respect to the Services or the Berry Assets.

2.3 Personnel and Access.

(A) Personnel. LINN shall provide personnel to staff and perform the Services, which may be accomplished to the extent necessary by (i) employees of LINN or Third Party contractors (subject to paragraph (A) of Section 5.2). All personnel engaged or directed by LINN to perform LINN's obligations under this Agreement shall be duly qualified, licensed, trained, and experienced to perform such obligations. LINN shall at all times require such personnel to comply with Applicable Law in the same manner as a reasonable and prudent operator. Notwithstanding anything to the contrary contained herein, in no event shall LINN be required to maintain the employment of, or any contractual relationship with, any particular individual or group, or to make available to Berry any particular individual or any individual at any particular time. Berry acknowledges the transitional nature of the Services and agrees that LINN may make changes from time-to-time in the personnel performing the Services if LINN is making similar changes in performing similar services for itself.

(B) Access. Berry shall have access to the Operated Berry Properties, the Berry Facilities, and the Berry Related Assets at all times during normal business hours. Should Berry desire access to Non-Operated Berry Properties during the Transition Period, LINN will use commercially reasonable efforts to coordinate access to the same with the relevant operator. LINN shall have sole authority to select, supervise, and direct all Representatives in the performance of the Services. Berry may consult

with LINN's Representatives who are providing the Services, and LINN shall make such Representatives reasonably available to Berry for such consultations during normal business hours, either directly or through one or more designated centralized point(s) of contact, in each case subject to the applicable individual's availability during normal business hours. In connection with Berry's access to the Operated Berry Properties or to any Berry Related Assets located on property owned by LINN, Berry must be accompanied by a LINN Representative at all times. Berry shall indemnify, defend, and hold harmless the LINN Indemnified Parties from and against any and all liability for injury to Berry's officers, employees, invitees, and/or agents, resulting from, or relating to, the presence of any such officers, employees, invitees, and/or agents at any Operated Berry Properties, any Non-Operated Berry Properties with respect to which LINN coordinated access for Berry, or any property owned by LINN, or from any such person's traveling to or from such property in a vehicle owned by LINN, in each case other than any such injury and resulting liability caused by the gross negligence or willful misconduct of LINN.

2.4 Consents. If any consents, approvals, or authorizations of any Person are identified as being required in connection with this Agreement, then LINN and Berry shall use commercially reasonable efforts to obtain as promptly as possible such consents, approvals, or authorizations; provided, however, that LINN shall be the primary point of contact with any such Person solely as it relates to the Services performed by LINN at that time. Berry shall be responsible for any costs and expenses incurred with Berry's prior written approval that are attributable to obtaining any consents, approvals, or authorizations required in connection with this Agreement. If the consent, approval, or authorization of any Person, if required, is not obtained within a reasonable time period after identification thereof, then LINN and Berry shall work together to develop and effect a commercially reasonable alternative in connection with the Services affected by such failure to obtain such consent, approval, or authorization.

2.5 Additional Records. Except as provided in this Agreement, nothing shall require LINN to provide records, financial information, or other information that, in each case, is not kept or reported by LINN in the ordinary course of business. For the avoidance of doubt, any reporting required of LINN during the pendency of its bankruptcy shall be deemed to be in LINN's ordinary course of business for purposes of this Section 2.5.

2.6 No Additional Systems. Nothing herein shall require LINN to install, expand, or modify any equipment, systems, or services at any location beyond the level provided by LINN during the Reference Period.

2.7 Information Necessary to Perform the Services. Berry shall promptly provide any information and assistance that is reasonably requested by LINN and necessary for LINN to perform or cause to be performed any portion of the Services. If Berry fails to provide, or delays in providing, such necessary information or

assistance, then LINN shall be relieved of its obligation to perform such portion of the Services to the extent prevented thereby; provided, however, that LINN shall use commercially reasonable efforts to mitigate, overcome, or work around such failure or delay in order to perform such portion of the Services; provided, further, that Berry will reimburse LINN for any reasonable and documented additional costs or expenses incurred by LINN that are attributable to mitigating, overcoming, or working around the effects of such failure or delay in accordance with and subject to the terms and conditions of paragraph (A) of Section 5.2.

2.8 Audit. At any time during the Term and during the period up to 180 days after the Final Settlement Statement is finalized under Section 5.8, Berry shall have the right to conduct one audit of the books and records of LINN insofar as they pertain to the Services, the Monthly Settlement Statements, the Monthly Statements, or the Final Settlement Statement. Such audit may be conducted by an accounting firm or other contractor retained by Berry. Berry is entitled to an adjustment of the amounts reflected in the Monthly Settlement Statements, the Monthly Statements, or the Final Settlement Statement when an error occurs. Any such audit must be completed and objections made within 60 days of its initiation. Any dispute that is not resolved between the Parties shall be resolved in accordance with the arbitration procedure set forth in Article 8.

2.9 Transition Period Extension. Berry shall use its reasonable best efforts to assume operatorship of all of the Operated Berry Properties on or before the last day of the un-extended Transition Period. Berry shall provide to LINN evidence reasonably satisfactory to LINN of Berry's satisfaction of the predicate requirements of Section 3.4 for delivery of the Change of Operator Forms no less than 14 days prior to the last day of the Transition Period, or the Transition Period will be extended for an additional calendar month (unless LINN, in its sole discretion, waives such compliance). In addition, if Berry determines that it requires all or any portion of the Services to continue beyond the end of the Transition Period, then Berry may elect to extend the Transition Period for an additional month by delivering to LINN written notice of such election no less than 15 days prior to the last day of the Transition Period; provided, however, that the Transition Period may only be extended once under this Section 2.9.

2.10 General Control and Consultation. The Parties acknowledge and agree that Berry shall at all times be the owner of the Berry Assets and that LINN is providing the Services solely as a service provider. Subject to Section 2.1, and to the extent not inconsistent with Section 9.9, the Services shall be provided by LINN to the extent of and substantially in the same manner as LINN has conducted its business during the Reference Period and, in all material respects consistent with Berry's 2017 capital budget as of January 1, 2017, under the general control of and subject to the reasonable direction of Berry; provided, however, that LINN shall control the manner and method of performing the Services, including all day-to-day Services provided for in Article 1. Without limiting the foregoing, LINN shall consult with the chief executive officer of Berry on a regular basis throughout the Term regarding the Services and shall act in accordance with the

written instructions, if any, provided by such chief executive officer or his designee with respect to particular aspects of the Services. Notwithstanding anything herein to the contrary, (i) in no event shall LINN be required to act in a manner inconsistent with its health, safety and environmental policies in effect as of the Execution Date and (ii) LINN may take any action it deems necessary in its reasonable belief and in good faith to prevent or avoid imminent risk to life or property.

3. Berry Separation.

3.1 Assets

(A) Representation. LINN represents and warrants that no real or personal property was transferred from Berry to LINN at any time between December 1, 2013 and the Effective Date. To the extent either Party discovers that the foregoing is inaccurate, the Parties will take all steps necessary pursuant to Section 3.7 to transfer such real or personal property back to Berry. The foregoing is the sole and exclusive remedy with respect to any breach of the representations and warranties set forth in this paragraph (A) of Section 3.1.

(B) Berry Assets. As used in this Agreement, the "**Berry Assets**" shall mean all real and personal properties, assets and interests that are part of the Berry Estate, including all real and personal properties, assets and interests described on the Berry Statement of Assets and Liabilities. Without limiting the foregoing, the "Berry Assets" shall include all of Berry's right, title and interest in, to or under the following (it being expressly understood that some of the following are interests in properties in which Berry is a joint interest owner with LINN and that all references to Schedules in this Section 3.1(B) are for information purposes only and shall not expand or diminish the property of the Berry Estate or the LINN Estate, as applicable):

(i) the Leasehold Interests and Mineral Interests summarized on the Berry Statement of Assets and Liabilities and as further described on Schedule 1, and Berry's interest in the Leases and lands included in any units with which such Leasehold Interests and Mineral Interests (or the lands covered thereby) may have been pooled, unitized, or communitized (collectively, the "**Berry Leasehold and Mineral Interests**");

(ii) the interests in oil, gas, water, disposal, observation, or injection wells located on or traversing the Berry Leases and Mineral Interests, whether producing, non-producing, plugged, unplugged, shut-in, or temporarily abandoned, as described on Schedule 2 (collectively, the "**Berry Wells**", and together with the Berry Leasehold and Mineral Interests, the "**Berry Properties**");

(iii) the Hydrocarbons in storage above a custody transfer point; and

(iv) the office leases, field offices, and storage yards described on the Berry Statement of Assets and Liabilities and as further described on Schedule 3 (collectively, the "**Berry Facilities**")**.**

For the avoidance of doubt, the Parties acknowledge and agree that from and after the Effective Date, Berry shall continue to be responsible for all Liabilities attributable to or arising from the Berry Assets except as otherwise provided in this Agreement and except for any such Liabilities discharged or otherwise released pursuant to or in connection with the Berry Consensual Plan or the LINN Consensual Plan.

(C) Berry Related Assets. As used in this Agreement, the term "**Berry Related Assets**" means the following real and personal properties, assets and interests, whether part of the Berry Estate or part of the LINN Estate; provided, however, that where the following relate to both Berry Assets and real or personal property that is part of the LINN Estate, only the proportion of the same related to the Berry Assets shall be included in the definition of "Berry Related Assets":

(i) The real property described on Schedule 4 (together with the field offices located thereon, the **"Hill Field Offices**");

(ii) all of the equipment, machinery, fixtures and other tangible personal property and improvements located on or used or held for use in connection with the ownership or operation of the Berry Properties, including tanks, boilers, plants, injection facilities, saltwater disposal facilities, compressors and other compression facilities (whether installed or not), pumping units, flow lines, pipelines, gathering systems, Hydrocarbon treating or processing systems or facilities, meters, machinery, pumps, motors, gauges, valves, power and other utility lines, roads, computer and automation equipment, SCADA and measurement technology, the Transferred Hardware, field radio telemetry and associated frequencies and licenses, pressure transmitters, central processing equipment and other appurtenances, improvements and facilities (collectively, the "**Berry Equipment**");

(iii) all of the pipes, casing, tubing, tubulars, fittings, and other spare parts, supplies, tools, and materials located on, used, or held for use on or held as inventory in connection with the ownership or operation of the Berry Properties, Berry Facilities, Hill Field Offices, or Berry Equipment;

(iv) all of the governmental (whether federal, state, or local) permits, licenses, authorizations, franchises, grants, easements, variances, exceptions, consents, certificates, approvals, and related instruments or rights relating to the Berry Properties that are not held by LOI as operator of Operated Berry Properties (collectively, the "**Berry Permits**");

(v) all of the Contracts (including sales and purchase contracts, operating agreements, exploration agreements, development agreements, balancing agreements, farmout agreements, service agreements, transportation, processing, treatment and gathering agreements, equipment leases and other contracts, agreements and instruments), including the Contracts described in Schedule 5, (collectively, the "**Berry Contracts**") but subject to Section 3.2 and excluding any Master Service Agreement in the name of LINN, other than those described in Part D of Schedule 5;

(vi) all of the proprietary rights and non-proprietary rights to all seismic, geological, geochemical, or geophysical data (including all maps, studies, Third Party studies, reservoir and production engineering studies and simulations, and all field and acquisition records) related to or obtained in connection with the Berry Properties to the extent transferrable without a fee (or, in the event a transfer fee applies, to the extent Berry has agreed, in writing, to pay such transfer fee) (the "**Berry G&G Data**");

(vii) all of the Surface Rights;

(viii) all claims, refunds, abatements, variances, allocations, causes of action, claims for relief, choses in action, rights of recovery, rights of set-off, rights of indemnity, contribution or recoupment, counter-claims, cross-claims and defenses to the extent related to the Berry Assets;

(ix) all of the information, books, databases, files, records and data (other than the Excluded LINN Records and Data), whether in written or electronic format, relating to Berry or any of the other Berry Assets (collectively, the "**Berry Records**"), which Berry Records shall include all minute books, stock ledgers, corporate seals, and stock certificates of Berry; all reservoir, land, operation and production files and records, inclusive of lease records, well records, division order records, property ownership reports and files, contract files and records, well files, title records (including abstracts of title, title opinions and memoranda, and title curative documents), correspondence, production records, prospect files and other prospect information, supplier lists and files, customer lists and files; and all other data including proprietary and non-proprietary engineering, files and records in the actual possession or control of Berry (or, if applicable, LINN to the extent

transferable to Berry (i) without material restriction that is not overcome using commercially reasonable efforts (including a material restriction against assignment without prior consent if such consent is not obtained after commercially reasonable efforts) and (ii) without the payment of money or delivery of other consideration or unduly burdensome effect that Berry does not agree in writing to pay or bear), inclusive of maps, logs, core analysis, formation tests, cost estimates, studies, plans, prognoses, surveys and reports, and including raw data and any interpretive data or information relating to the foregoing, and any other proprietary data in the actual possession or control of Berry (or, if applicable, LINN to the extent transferable to Berry (i) without material restriction that is not overcome using commercially reasonable efforts (including a material restriction against assignment without prior consent if such consent is not obtained after commercially reasonable efforts) and (ii) without the payment of money or delivery of other consideration or unduly burdensome effect that Berry does not agree in writing to pay or bear) and relating to the ownership, operation, development, maintenance or repair of, or the production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or produced water from, the Berry Properties;

(x) all of the Berry Receivables, cash call pre-payments and other refunds due to Berry (or, if applicable, LINN) for royalty overpayments or future deductions as royalty offsets associated with any of the Berry Properties;

(xi) all of the trade credits, accounts receivable, note receivables, take or pay amounts receivable, and other receivables attributable to the Berry Assets or other Berry Related Assets;

(xii) any software licenses and IT service agreements used solely in connection with or wholly attributable to the Berry Properties, but only to the extent transferable without material restriction (the "**Berry Software**");

(xiii) all California greenhouse gas emissions credits and allowances and any other carbon dioxide allowances that are part of the Berry Estate or scheduled on Schedule 10; and

(xiv) all of the vehicles used by, assigned to or otherwise associated with any Berry Employee or solely with any of the other Berry Operated Assets (including any such vehicle that is part of the LINN Estate) (the "**Vehicles**").

3.2 Assignment of Contracts.

(A) General. Subject to paragraph (B) of this Section 3.2, as soon as practicable, but in any event prior to the end of the Transition Period, LINN will assign or cause to be assigned to Berry each Berry Contract to which LINN is party (whether in its own name or as agent for Berry), including marketing agreements, operating agreements, transportation agreements, equipment leases, electrical agreements, rights of way, surface use agreements and other agreements (such Berry Contracts that relate solely to Berry or the Berry Assets, including the Berry Contracts so identified in Part B of Schedule 5, are referred to in the Agreement collectively as the "**Berry Operating Contracts**"; and such Berry Contracts that relate both to Berry or the Berry Assets on the one hand and LINN or property that is part of the LINN Estate, on the other, including the Berry Contracts so identified in Part C of Schedule 5, are referred to in the Agreement collectively as the "**Berry Shared Contracts**"); provided, however, that LINN shall only assign such Berry Shared Contracts that are capable of being subdivided without penalty or any incremental cost or expense being paid by LINN and without requiring LINN or Berry to retain any liability for the other under such contract (and in such case shall only assign the portion of such Berry Shared Contract that applies to the Berry Assets); provided, further, that LINN shall use its commercially reasonable efforts to obtain from each Berry Shared Contract counterparty a separation of its Berry Shared Contract into separate contracts between such counterparty and each of LINN and Berry so long as the terms and conditions of the underlying agreement remain substantially the same. Berry shall take such actions as may be required to accept assignment of the Berry Operating Contracts and the Berry Shared Contracts. Notwithstanding the foregoing, if both Berry and LEH are parties to any Berry Shared Contract and such contract relates only to the ownership or operation of properties in which LEH and Berry have shared ownership, LINN may elect to take no action to partition the contracts during the Transition Period, which shall not prejudice either Party's ability to request or negotiate a partition or novation from the counterparty of such contract at a later date and shall not operate to create a joint and several liability under such contract.

(B) Consent Requirements. Notwithstanding anything to the contrary contained herein, LINN shall not assign any Berry Operating Contract or Berry Shared Contract if the terms of such contract prohibit such assignment, require a consent to such assignment that is not given after LINN has used all commercially reasonable efforts to obtain such consent, or require a fee for such assignment that Berry does not agree to bear, which Berry Operating Contracts and Berry Shared Contracts include those identified in Schedule 5.

(C) Assigned Operating Contract. Any contract assigned pursuant to this Section 3.2 shall be referred to herein as an "**Assigned Operating Contract**"; provided, however, that as to Berry Shared Contracts that are assigned, only the portion of the contract assigned to Berry shall be included in the term Assigned Operating Contract.

3.3 Certain Ancillary Agreements. LINN (as applicable) and Berry will execute the following agreements on the dates specified below:

(i) any change of operator forms required to designate Berry as the operator of the Operated Berry Properties (the "**Change of Operator Forms**") as soon as practical but in no event later than the final day of the Transition Period; and

(ii) letters in lieu of transfer or division orders directing all purchasers of production from the Berry Assets to make payment of proceeds attributable to such production to Berry from and after the Effective Date in a form reasonably satisfactory to both Parties (the "**Letters in Lieu**") as soon as practical but in no event later than the final day of the Transition Period.

In connection with the ancillary agreements described above in this Section 3.3, the Parties agree that Berry shall be the recognized operator of the Hill field and LINN shall be the recognized operator of the Hugoton field.

3.4 Delivery of Documents.

(A) Change of Operator Forms. On or before the end of the last day of the Transition Period (or otherwise in accordance with applicable state requirements), LINN will submit the Change of Operator Forms to the required parties; provided, however, that Berry must have secured the necessary bonding, insurance and regulatory approvals to release LINN of any ongoing liability for Berry's operatorship.

(B) Letters in Lieu. On or before the first day of the last month of the Transition Period, LINN will submit the Letters in Lieu to the appropriate counterparties.

(C) Documents Related to Joint Use Agreement. On or before April 1, 2017, LINN will deliver to Berry the following documents related to that certain Joint Use Agreement of even date herewith, by and between LEH and Berry (the "**Joint Use Agreement**"): (i) a projected budget for the "Gathering Facilities" for the remainder of calendar year 2017, which will include an itemized summary of projected "Capital Expenditures," "Operating Expenses" and planned nonrecurring maintenance items, and shall list each charge or expense that will be payable to an "Affiliate" of LEH (excluding charges and expenses related to LOI's employees and third party charges and expenses passed through by LOI to LEH without

markup) (as each such term is defined in the Joint Use Agreement); and (ii) an amended and restated Exhibit D to the Joint Use Agreement containing a detailed description of all real and personal property comprising the "Gathering Facilities" (as defined in the Joint Use Agreement) based on information in LINN's files and records, including a reasonably detailed description of each right-of-way and other real property interest included therein and a reasonably detailed description, with specifications, of each segment of pipe and other component thereof.

3.5 Assignment of Operating Property.

(A) Inventory. During the first 30 days of the Term, LINN will inventory all (i) Berry Equipment that is part of the LINN Estate (the "**Berry Operating Equipment**"), (ii) pipes, casing, tubing, tubulars, fittings, and other spare parts, supplies, tools, and materials located on, used or held for use on or held as inventory in connection with the ownership or operation of the Berry Assets that are part of the LINN Estate (the "**Berry Operating Yard Equipment**"), (iii) Transferred Hardware, and (iv) Vehicles (together with the Berry Operating Equipment, Berry Operating Yard Equipment and the Transferred Hardware, the "**Berry Operating Property**").

(B) Valuation. On or before the 45th day of the Term, LINN will provide Berry with a list of the Berry Operating Property, together with an estimated fair market value (taking into account normal annual depreciation) of the portion of the Berry Operating Property that is not part of the Berry Estate. Berry will notify LINN within ten days if Berry disagrees with any valuation for such portion of the Berry Operating Property, in which case, Berry and LINN will work in good faith to resolve their disagreement on before the 75th day of the Term. If the Parties are unable to agree to a value for a Vehicle prior to such date, then such Vehicle will not be included in the term "Berry Operating Property" for the purpose of paragraph (C) of this Section 3.5 or the term "Berry Related Assets" and will be retained without further obligation by LINN. If the Parties are unable to agree to a value for any portion of the Berry Operating Equipment or the Berry Yard Equipment that is not part of the Berry Estate, then LINN will hire a Third Party appraiser to determine the amount of such value, the expense for such appraiser to be shared equally between the Parties.

(C) Conveyance. Once the Parties have agreed to the fair market value (taking into account normal annual depreciation) for the portion of the Berry Operating Property that is not part of the Berry Estate (or the appraiser has determined such value in accordance with paragraph (B) of this Section 3.5, in either case the aggregate amount to be referred to herein as the "**Operating Property Amount**"), LINN will convey the Berry Operating Property and the Transferred Hardware to Berry using a Bill of Sale in a

form substantially similar to Exhibit F. In addition, LINN will take any additional steps necessary under applicable state or local law to transfer any title held by LINN to the Berry Operating Property to Berry. Berry will reimburse LINN for the Operating Property Amount in accordance with Section 5.4. Prior to the end of the Transition Period, LINN will convey the Hill Field Offices to Berry using a Special Warranty Deed in a form substantially similar to Exhibit G.

(D) Berry Records. Throughout the Transition Period (and, with regard to records created during the Accounting Period, throughout the Accounting Period), LINN will deliver the Berry Records to Berry, at Berry's expense, (to the extent not already delivered) in their current form and format; provided, however, that LINN shall not be required to conduct processing, conversion, compiling or any other further work with respect to delivery of the Berry Records; provided, however, further, that LINN may retain a copy of any Berry Records related to accounting or the Hill assets (and may copy, at Berry's expense, Berry Records related to the Hugoton assets and retain the original, delivering the copy as the Berry Record). Berry agrees to maintain the Berry Records for a period of five years following the expiration of the Term, and, during such time, to (i) provide copies of any Berry Records that relate to the accounting, to the Hill and Hugoton assets, or are needed to respond to any legal proceeding or claim by a Third Party or by Berry, to LINN, at LINN's sole expense and upon reasonable advance notice, and (ii) give 90 days' prior written notice to LINN before destroying any Berry Record, in which event LINN may, at its option and expense, upon prior written notice given within such 90 day period to Berry, take possession of such Berry Records within 180 days after the date of such notice.

(E) Hugoton Field Offices. LINN agrees that if Berry (or its successor in interest) becomes the operator of the Hugoton properties under or pursuant to the applicable Joint Operating Agreement between Linn and Berry dated of even date herewith, then LINN or its successor in interest will convey the Hugoton Field Offices to Berry (or such successor in interest) for $1 using a Special Warranty Deed in a form substantially similar to Exhibit G.

3.6 Assignment of Berry Related Assets. Without limiting the provisions set forth in Section 1.3 regarding the transfer or assignment of the Berry Permits, Section 3.2 regarding the assignment of the Berry Contracts, and Section 3.5 regarding the conveyance of the Berry Operating Property, prior to the end of the Transition Period, LINN shall transfer, assign, and convey or cause to be transferred, assigned, and conveyed to Berry all other Berry Related Assets that are held in the LINN Estate. Such transfers, assignments, and conveyances shall be in form reasonably satisfactory to the Parties.

3.7 Further Assurances. For a period of one year from the Effective Date, each of LINN and Berry shall (i) furnish upon request to the other Party such further information, (ii) execute, acknowledge and deliver to such other Party such other documents, and (iii) do such other acts and things, as such other Party may reasonably request for the purpose of carrying out the intent of this Agreement or the Berry Consensual Plan or the Linn Consensual Plan. In addition, LINN shall use commercially reasonable efforts to continue to assist Berry in connection with the resolution of claims against Berry and Linn Acquisition Company, LLC relating to the Chapter 11 Cases (as defined in the Berry Consensual Plan); provided, however, that LINN will not be required to provide such assistance after the Term of this Agreement absent mutual agreement of the Parties, including agreement as to the additional compensation to LINN for such assistance.

4. Employment.

4.1 Access Period. During the period from the Effective Date until the date that is 15 days prior to the end of the Transition Period (the "**Access Period**"), LINN shall provide to Berry or its designated representatives reasonable access to any LINN employee on the Available Employee List attached as Schedule 6. At any time prior to the date that is 20 days prior to the end of the Accounting Period, LINN may designate additional employees to be made available to Berry, such designation to be made in writing, in which case such individuals will be treated as Berry-LINN Employees for the purpose of Section 4.2 but not Section 4.3.

4.2 Employment Offers. All Berry Employees shall be extended offers of employment by Berry during the Transition Period in accordance with an offer process determined by Berry in consultation with LINN. In addition, either Party may extend employment offers to any of the Berry-LINN Employees during the period beginning on the date that is 15 days prior to the end of the Transition Period and ending on the date that is 15 days prior to the end of the Accounting Period (the "**Offer Period**"). Any employment offer will require acceptance of the same within ten days and will be effective on the first day following the end of the Transition Period (or, if appropriate for a Berry-Linn Employee, on the first day following the end of the Accounting Period). Each Party will share the responses to employment offers made under this Section 4.2 promptly upon receipt with the other Party; provided, however, that neither Party shall be required to disclose the terms of any offer except to the extent necessary to establish any severance fees or obligations under Section 4.3.

4.3 Severance Amounts. At the conclusion of the Offer Period, Berry shall provide a list of all Available Employees to whom Berry submitted an offer. For each Berry Employee (i) who is not made an offer of employment that would avoid a Qualifying Termination for such employee (as such term is defined in LINN's Severance Plan, attached hereto as Schedule 7) and (ii) whose employment is terminated by LINN on or prior to the end of the Term, Berry will be charged 100 percent of any severance fees and obligations associated with such termination. For each Berry-LINN Employee (x) who is not made an offer of employment that

would avoid a Qualifying Termination for such employee and (y) whose employment is terminated by LINN on or prior to the end of the Term, Berry will be charged 30 percent of any severance fees and obligations associated with such termination (the aggregate amount payable by Berry under this Section 4.3 is referred to herein as **"Berry Severance Fees**"). LINN shall retain responsibility for (A) 70 percent of any severance fees and obligations associated with the termination on or prior to the end of the Term of any Berry-LINN Employee, and (B) 100 percent of any severance fees and obligations associated with the termination of any LINN employee who is not an Available Employee or whose employment is not terminated on or before the end of the Term (even if such employee provides Services under this Agreement).

4.4 Non-Solicitation of Certain Employees. During the Transition Period, LINN shall not solicit any Berry Employee to remain as an employee of LINN or otherwise encourage or induce such Berry Employee not to accept employment with Berry; provided, however, that nothing in the foregoing will prohibit LINN from making such solicitation after the end of the Transition Period to any Berry Employee who did not accept Berry's offer of employment under Section 4.2, subject to the following sentence. In addition to the immediately preceding sentence, and except as specifically described in Sections 4.1 and 4.2, for a period of two years from the Effective Date, neither LINN nor Berry or either of their respective Affiliates will, directly or indirectly, (i) solicit for employment, offer employment or employ any employee of the other Party or its respective Affiliates, (ii) otherwise divert or induce any such employee to terminate or materially alter his or her employment or contractual relationship with the other Party or its respective Affiliates, or (iii) agree to do any of the foregoing; provided, however, that neither Party shall be considered to have breached the provisions of this sentence solely because any such employee responds to a general advertisement or a Third Party search firm that has not directed its search specifically at such employees of the other Party or its respective Affiliates. Each Party shall be liable for the compliance of its Affiliates and its and their respective agents and representatives with the terms of this Section 4.4. Each Party acknowledges and agrees that if such Party violates (or threatens to violate) any of the terms of this Section 4.4, then the other Party will not have an adequate remedy at law and in such event such other Party shall have the right, in addition to all other rights available at law or in equity, to obtain injunctive relief to restrain any breach or threatened breach of the terms of this Section 4.4.

5. Term and Termination; Service Fees; Monthly Settlement.

5.1 Term and Termination.

(A) Term. This Agreement shall be effective as of the Effective Date, and shall continue in effect until the end of the Accounting Period, unless terminated earlier in accordance with this Section 5.1 (the "**Term**"). Except as otherwise provided herein, upon expiration of the Term or earlier termination of this Agreement, LINN shall no longer be responsible

for the performance of the Services, and all rights and obligations under this Agreement shall cease except for (i) rights or obligations that are expressly stated to survive the expiration or termination of this Agreement, (ii) the provisions set forth in the last sentence of paragraph (B) of Section 2.3, in paragraph (A) of Section 3.1, in paragraph (D) of Section 3.5 in paragraph (E) of Section 3.5, in paragraph (D) of this Section 5.1, in Sections 3.7, 4.4, 5.2, 5.4 and 5.5, and in Articles 6, 8, and 9, which shall continue in accordance with their terms, and (iii) the last sentence in paragraph (E) of this Section 5.1, which will survive the expiration or termination of this Agreement indefinitely, and (iv) liabilities and obligations that have accrued prior to such expiration or termination, including the obligation to pay any amounts that have become due and payable prior to such expiration or termination.

(B) Termination by Berry. Berry may, without cause and in accordance with the terms and conditions hereunder, (i) request the discontinuation of one or more portions of the Services, or (ii) request the discontinuation of all of the Services and terminate this Agreement prior to the expiration of the Term, in each case, by giving LINN not less than 15 days' prior written notice; provided, however, that (a) the effective date of such termination must be the first or last day of a calendar month, (b) the discontinuation of less than all of the Services will require LINN's consent (which consent shall not be unreasonable delayed or withheld), (c) Berry must have satisfied the condition precedent of paragraph (A) of Section 3.4 prior to terminating the Services described in Section 1.1 or all of the Services, and (d) Berry shall be liable to LINN for all fees and expenses accrued with respect to the provision of the discontinued Services as of the date of discontinuation, including any amounts that LINN remains obligated to pay under any contract entered into in accordance with this Agreement solely in order to provide the Services.

(C) Termination for Material Breach. Either Party may terminate this Agreement if the other Party is in material breach of this Agreement and such other Party fails to cure such breach within five Business Days following receipt of written notice thereof from the non-breaching Party; provided, however, that (i) LINN may not terminate this Agreement and withdraw from providing the Services if such breach is not capable of being cured and Berry continues to pay the Service Fees, and (ii) subject to Berry using all reasonable efforts to obtain a qualified and financially responsible replacement for LINN reasonably acceptable to Berry and Berry's continued payment of the Service Fees, LINN may not terminate this Agreement and withdraw from providing the Services until a qualified and financially responsible replacement for LINN reasonably acceptable to Berry has agreed to take over as LINN and assume responsibility for the Services under this Agreement on terms and conditions reasonably acceptable to Berry.

(D) Obligations of LINN upon Termination. Without limiting the second sentence of paragraph (A) of this Section 5.1, upon termination of this Agreement, LINN shall assign, transfer, and deliver to Berry (or to such other Person as Berry shall direct) (i) title to all Berry Related Assets that are part of the LINN Estate (in accordance with the provisions of Sections 3.2, 3.5, and 3.6 and subject to Berry's requirement to reimburse LINN for the same) and (ii) possession and control of all operations hereunder and all of the Berry Assets in the possession or control of LINN or any subcontractor of LINN, but only to the extent Berry has complied or does comply with the conditions precedent described in Section 3.4(A). Without limiting the foregoing, upon the effective date of termination, LINN shall assign and deliver to, and relinquish custody in favor of, Berry (or such other Person selected by Berry) all of Berry's funds held or controlled by LINN, and all Suspense Funds, and all books, accounts, records and inventories relating to the Berry Assets, facilities and/or the operations hereunder.

(E) Obligations of Berry upon Termination. Effective upon termination of this Agreement, Berry assumes and agrees to discharge when due any and all Liabilities attributable to or arising from the Berry Related Assets except as otherwise provided in this Agreement and except for any such Liabilities discharged or otherwise released pursuant to or in connection with the Berry Consensual Plan or the LINN Consensual Plan. Notwithstanding anything herein to the contrary, Berry hereby agrees to release and fully indemnify, defend, and hold harmless the LINN Indemnified Parties from each and every Claim related to such assumed Liabilities.

5.2 Service Fees and Employee Expenses.

(A) Reimbursement Expenses. Berry shall pay and reimburse LINN for any and all reasonable Third Party out-of-pocket costs and expenses without mark-up (including operating costs, capital expenditures, drilling and construction overhead charges, Third Party administrative overhead charges, joint interest billing, lease, lease operating, lease rental, bonus and shut-in payment, royalty, overriding royalty, net profits interest expenses, and records and data transfer expenses) and reasonable and necessary travel expenses actually incurred by LINN to the extent documented and incurred in connection with providing the Services during the Term (the "**Reimbursement Expenses**"); provided, however, that Reimbursement Expenses will not include Third Party contractors engaged by LINN after the Effective Date to provide portions of the Services where such portions of the Services were performed by LINN employees prior to the Effective Date unless expressly agreed to in writing by the Parties.

(B) Management Fee. In addition to the foregoing Reimbursement Expenses, Berry shall pay to LINN $6,000,000 per month (prorated for partial months) during the Transition Period (the "**Full Management Fee**") and $2,700,000 per month (prorated for partial months) during the Separation Period (the "**Limited Management Fee**" and together with the Full Management Fee, the "**Management Fee**"). The Management Fee, together with the Reimbursement Expenses, are referred to collectively herein as the "**Service Fees**."

5.3 Cash Call.

(A) Cash Calls. It is not the intent of this Agreement for LINN to advance any of its own funds. If there are lease operating expenses or capital expenditures that would otherwise be paid by LINN pursuant to this Agreement, LINN shall provide a written cash call ("**Cash Call**") to Berry detailing the amount of such expenses, the proposed use thereof, and the date such funds are required, together with supporting documentation, for approval by Berry in advance of LINN incurring the same. Berry shall, within five Business Days of receipt of such Cash Call, render a decision to provide such amount to LINN for payment (in whole or in part) or to decline such payment (in which event LINN will be relieved of any obligation to conduct the associated activity). Berry reserves the right to approve any or all detail amounts included in any Cash Call.

(B) Emergencies. Notwithstanding anything to the contrary in this Agreement, the Parties agree that in the event LINN reasonably believes there is an emergency involving actual or imminent loss of life, material damage to any of the Berry Assets or the environment, or substantial and immediate financial loss, LINN shall advance its own funds for any expense or expenditure that LINN determines is necessary under the circumstances as a reasonable and prudent operator to address such emergency (but only to the extent necessary to stabilize the situation and alleviate the imminent threat) without the need to make a Cash Call. If LINN takes any action pursuant to the immediately preceding sentence, then LINN shall promptly (but within any event within 48 hours) notify Berry of the taking of such action and deliver an invoice to Berry reflecting (i) the expenditures already incurred by LINN to address such emergency and (ii) LINN's reasonable projection of expenditures to be incurred by LINN over the subsequent seven days to further address such emergency, and Berry shall promptly (and in no event later than 48 hours following receipt of such notice) reimburse and advance to LINN all such expenditures set forth such invoice.

5.4 Monthly Settlement Statement. On the date any amounts are to be transferred pursuant to Section 5.5, LINN shall submit to Berry a "**Monthly Settlement Statement**" prepared substantially in the form of Exhibit C, calculating the Current Month Settlement, to the extent any such amount has not previously been accounted for in a prior Current Month Settlement or under this Agreement or otherwise accounted for prior to the Effective Date between the Parties. The

"**Current Month Settlement**" shall be calculated (without duplication) as follows in this Section 5.4:

(i) the net revenue interest share of all revenues (less severance and production taxes allocable to Berry under this Agreement and paid by or on behalf of LINN) attributable to the sale of production from the Berry Properties and received by LINN;

(ii) less the working interest share of all direct operating expenses incurred by LINN for Berry's account (exclusive of any expenses prepaid by Berry) (with respect to the Non-Operated Berry Properties, such direct operating expenses shall include overhead charges based on the applicable COPAS accounting procedures);

(iii) plus COPAS and administrative overhead credits received by LINN from other owners for the Operated Berry Properties (excluding Berry) for operations subsequent to the Effective Date;

(iv) less the working interest share of all capital expenditures incurred by LINN for Berry's account related to the Berry Properties for operations;

(v) less the working interest share of all bonuses, lease rentals, shut-in payments, and other charges paid by LINN on behalf of Berry;

(vi) less the Reimbursement Expenses as stipulated in paragraph (A) of Section 5.2;

(vii) less the Management Fee as stipulated in paragraph (B) of Section 5.2;

(viii) less any amounts due under Section 5.2 that remain unpaid;

(ix) less the Operating Property Amount due under Section 3.5;

(x) less any Berry Severance Fees due under Section 4.3; and

(xi) plus or less, as applicable, such other amounts as may be agreed to by the Parties.

Other than the Reimbursement Expenses, Management Fee and any Berry Severance Fees, Berry shall not be charged hereunder for any internal overhead, COPAS, non-billable charges of LINN allocated by LINN to any of the Berry Properties, or COPAS overhead charges attributable to the Operated Berry Properties.

5.5 Transfer of Cash. On the 15th day of each calendar month during the Term and for the three calendar months following the end of the Term, (i) if the Current Month Settlement is a positive number, then LINN shall pay to Berry via wire transfer into a Berry-owned account the Current Month Settlement and (ii) if the Current Month Settlement is a negative number, then Berry shall pay to LINN via wire transfer from a Berry-owned account into a LINN owned account the Current Month Settlement.

5.6 Third Party Joint Interest Billings. During the Accounting Period, LINN shall provide to Berry monthly aged accounts receivable reports detailing any uncollected joint interest billings issued to Third Parties for operations conducted on the Operated Berry Properties not otherwise accounted for prior to the Effective Date between the Parties. LINN shall use commercially reasonable efforts to collect all joint interest billings so billed. At the end of the Accounting Period, Berry shall reimburse LINN for the then outstanding amount of joint billings attributable to operations on the Operated Berry Properties not otherwise accounted for prior to the Effective Date by the Parties (the "**Transition JIB Balance**"). After Berry reimburses LINN, Berry shall have the right to retain all amounts it collects relative to the Transition JIB Balance, and LINN shall promptly remit to Berry any amounts received relative to the Transition JIB Balance. For the avoidance of doubt nothing in this Section 5.6 is intended to, or does, require Berry to reimburse LINN for joint interest billings for which (i) LINN did not perform the associated operations or (ii) Berry has already reimbursed LINN.

5.7 No Duplication of Payments to LINN. Notwithstanding anything contained herein to the contrary, in no event shall there be a duplication of payments to LINN under this Agreement for any matters, charges or costs of any kind which are covered by, or related to, Reimbursement Expenses, the Management Fee, and/or Cash Calls.

5.8 Final Settlement. On or before 60 days after the end of the Accounting Period, LINN will prepare and deliver to Berry a settlement statement setting forth the cumulative amounts charged and credited under Section 5.4, the cumulative cash transfers under Section 5.5, and any other accounting transfer that is required to be made under this Agreement, including but not limited to the transfer of Suspense Funds (the "**Final Settlement Statement**"). As soon as reasonably practicable but not later than the 30th day following receipt of Berry's statement hereunder, Berry shall deliver to LINN a written report containing any changes that Berry proposes be made to such statement, if any. LINN may deliver a written report to Berry during this same period reflecting any changes that LINN proposes to be made to such statement as a result of additional information received after the statement was prepared. The Parties shall undertake to agree on the Final Settlement Statement no later than 120 days after the end of the Accounting Period. If the Parties are unable to reach an agreement at such time, then either Party may submit the remaining matters in dispute to an Independent Expert for resolution pursuant to Section 8.3. Within ten days after the earlier of (a) the expiration of Berry's 60-day review period without delivery of any written report or (b) the date on which the Parties finally agree on the Final Settlement

Statement or the Independent Expert resolves the disputed matters, as applicable, (x) if the net amount of all entries in the Final Settlement Statement shows a balance owed to Berry, then LINN shall pay to Berry via wire transfer into a Berry-owned account such net amount due and (ii) if the net amount of all entries in the Final Settlement Statement shows a balance owed to LINN, then Berry shall pay to LINN via wire transfer into a LINN-owned account such net amount due.

6. Indemnification; Limitation and Exclusion of Damages.

6.1 Indemnity and Release by Berry.

(A) Subject to Section 6.3 and Section 6.4, and the proviso to the last sentence of this Section 6.1(A), LINN shall have no liability to Berry for, and Berry hereby releases, and shall indemnify, defend, and hold harmless, the LINN Indemnified Parties from, each and every Claim attributable to, or arising out of, any act or omission by LINN involving or related to the Services (or Berry's use thereof), including, but not limited to, LINN's failure to pay or to collect sums due, erroneous or improper payment, late payment, preparation of erroneous payment statement, administration of the Suspense Funds (including any escheatment obligations related thereto), or any other such cause, EVEN IF SUCH CLAIMS ARISE OUT OF THE NEGLIGENCE, STRICT LIABILITY, OR OTHER FAULT OF LINN OR THE LINN INDEMNIFIED PARTIES, except for any such Claim that may result from (and only to the extent it results from) LINN's gross negligence or willful misconduct. The foregoing release and indemnity shall expressly survive any expiration or termination of this Agreement and shall apply notwithstanding anything to the contrary contained in this Agreement (including under this Article 6); provided, however, that Berry shall have no indemnity or defense obligations to the LINN Indemnified Parties (and shall not be deemed to have released the LINN Indemnified Parties) with respect to any Claim for which LINN is required to indemnify or defend the Berry Indemnified Parties pursuant to Section 6.2.

(B) BERRY SPECIFICALLY AGREES TO FULLY DEFEND, INDEMNIFY AND HOLD HARMLESS ANY LINN INDEMNIFIED PARTY REGARDING ANY CLAIMS ARISING FROM, OR IN CONNECTION WITH, BERRY'S OR ITS SUBCONTRACTORS' EMPLOYEES' ACTIVITIES ON OPERATED BERRY PROPERTIES OR LINN-OWNED PROPERTY, INCLUDING, BUT NOT LIMITED TO, ALL CLAIMS FOR BODILY INJURY, PERSONAL INJURY, ILLNESS, OR DEATH BROUGHT BY BERRY'S OR BERRY'S SUBCONTRACTOR'S EMPLOYEES AGAINST ANY LINN INDEMNIFIED PARTY, SOLELY TO THE EXTENT SUCH CLAIM RESULTS FROM OR IS ATTRIBUTABLE TO THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY OF BERRY'S OR ITS SUBCONTRACTORS' EMPLOYEES, EXCEPT FOR ANY

SUCH CLAIM THAT MAY ARISE OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY LINN INDEMNIFIED PARTY. THIS PROVISION CONTROLS OVER ANY CONFLICTING PROVISION IN THIS AGREEMENT.

6.2 Indemnity by LINN.

(A) Subject to Section 6.3 and Section 6.4, LINN shall indemnify, defend, and hold harmless Berry and its Affiliates, and their respective directors, officers, employees, agents, managers, shareholders and representatives (together with Berry, the "**Berry Indemnified Parties**") from and against any and all Claims suffered by the Berry Indemnified Parties as a result of, caused by, or arising out of (i) any breach of any covenant of LINN under this Agreement, or (ii) the sole, joint or concurrent negligence, gross negligence or willful misconduct of LINN or its Affiliate in its performance or failure to perform under this Agreement; PROVIDED, HOWEVER, THAT LINN SHALL HAVE NO OBLIGATION TO INDEMNIFY THE BERRY INDEMNIFIED PARTIES UNDER THIS SECTION 6.2(A) WITH RESPECT TO ANY CLAIM ATTRIBUTABLE TO LINN'S PERFORMANCE OF ITS OBLIGATIONS UNDER SECTION 1.1 AND SECTION 1.10 UNLESS SUCH CLAIM IS A RESULT OF, IS CAUSED BY, OR ARISES OUT OF LINN'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(B) LINN SPECIFICALLY AGREES TO FULLY DEFEND, INDEMNIFY AND HOLD HARMLESS ANY BERRY INDEMNIFIED PARTY REGARDING ANY CLAIMS ARISING FROM, OR IN CONNECTION WITH, LINN'S OR ITS SUBCONTRACTOR'S EMPLOYEES' ACTIVITIES RELATED TO THE BERRY ASSETS, INCLUDING, BUT NOT LIMITED TO, ALL CLAIMS FOR BODILY INJURY, PERSONAL INJURY, ILLNESS, OR DEATH BROUGHT BY LINN'S OR ITS SUBCONTRACTOR'S EMPLOYEES AGAINST ANY BERRY INDEMNIFIED PARTY, EXCEPT FOR ANY SUCH CLAIM THAT MAY ARISE OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY BERRY INDEMNIFIED PARTY REGARDLESS OF WHETHER SUCH INJURY OR DEATH IS OR IS ALLEGED TO BE CAUSED BY THE SOLE, PARTIAL OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF SUCH BERRY INDEMNIFIED PARTY. THIS PROVISION CONTROLS OVER ANY CONFLICTING PROVISION IN THIS AGREEMENT.

6.3 Limitation of Liability. The total and cumulative liability of LINN arising out of, relating to, or in connection with, any performance or lack of performance of the Services, including for indemnification obligations and damages pursuant to this Article 6 (whether a claim therefor is based on warranty, contract, tort (including negligence or strict liability), statute, or otherwise) shall not exceed the aggregate Service Fees paid to LINN by Berry under this Agreement; provided, however, that this Section 6.3 shall not apply to any liability of LINN arising out of, relating to, or in connection with LINN's gross negligence or willful misconduct.

6.4 Exclusion of Certain Damages. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH, ANY PERFORMANCE OR LACK OF PERFORMANCE UNDER THIS AGREEMENT FOR INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY, CONSEQUENTIAL, OR SPECIAL DAMAGES (INCLUDING DAMAGES FOR LOST PROFITS, LOSS OF USE, LOST REVENUE, LOST SAVINGS, LOSS OF DATA, OR LOSS BY REASON OF COST OF CAPITAL), EVEN IF SUCH DAMAGES WERE FORESEEABLE OR THE PARTY SOUGHT TO BE HELD LIABLE WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND REGARDLESS OF WHETHER A CLAIM THEREFOR IS BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), OR ANY OTHER LEGAL OR EQUITABLE PRINCIPLE, SAVE AND EXCEPT ANY SUCH DAMAGES PAYABLE WITH RESPECT TO THIRD PARTY CLAIMS. NOTWITHSTANDING ANYTHING IN THIS SECTION 6.4 TO THE CONTRARY, NEITHER PARTY'S RECOVERY FOR LOST PROFITS, LOSS OF USE, LOST REVENUE, LOST SAVINGS, LOSS OF DATA, OR LOSS BY REASON OF COST OF CAPITAL SHALL BE LIMITED TO THE EXTENT CONSTITUTING DIRECT DAMAGES. EACH PARTY AGREES AND ACKNOWLEDGES THAT THE RISK ALLOCATION AND LIMITATIONS OF LIABILITY SET FORTH IN THIS AGREEMENT ARE FUNDAMENTAL TO EACH PARTY'S BENEFIT OF THE BARGAIN UNDER THIS AGREEMENT. NEITHER PARTY SHALL ALLEGE THAT ANY REMEDY OR ANY PROVISION OF THIS AGREEMENT FAILS OF ITS ESSENTIAL PURPOSE AND THE LIMITATIONS IN THIS ARTICLE 6 WILL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY IN THIS AGREEMENT.

7. Insurance. In support of its indemnity obligations under this Agreement, but as a separate and independent obligation, Berry shall obtain and maintain in force throughout the Term insurance coverage from insurance providers with A.M. Best ratings of A-, VII or better, in the amounts and types as further described on Exhibit D. All deductibles shall be for the account of Berry and to the extent of the indemnities and liabilities contractually assumed by Berry under this Agreement, Berry shall cause the LINN Indemnified Parties to be added as insureds with respect to all insurance policies (excluding Worker's Compensation and Employer's Liability). Berry shall further cause its insurers to waive, and Berry hereby does waive, any rights of subrogation or recovery against any LINN Indemnified Parties; all such insurance required of Berry hereunder shall be primary coverage to any insurance maintained by any LINN Indemnified Parties. Berry, upon LINN's request, shall provide certificates evidencing the insurance coverages required under this Agreement. The obligations of Berry, with respect to the maintenance of insurance under this Agreement, are in support of, but separate and apart from, Berry's indemnification obligations under this Agreement. To the extent applicable, for the

purposes of Title 6, Chapter 127 of the Texas Civil Practice and Remedies Code, commonly known as the Texas Oilfield Anti-Indemnity Act, the indemnity and insurance provisions of this Agreement applicable to property damage and the indemnity and insurance provisions applicable to personal injury, bodily injury, and death shall be deemed separate for interpretation, enforcement, and other purposes. The Parties agree that in order to be in compliance with the Texas Oilfield Anti-Indemnity Act regarding mutually assumed indemnification for the other Party's sole or concurrent negligence, each Party shall carry supporting insurance in equal amounts of the types and in the minimum amounts as specified in the insurance requirements hereunder. All indemnities in this Agreement shall only be effective to the maximum extent permitted by Applicable Law. The Parties hereby incorporate Title 6, Chapter 127 of the Texas Civil Practice and Remedies Code as part of this Agreement and agree to the limits of that statute. If LINN does not carry insurance in the minimum amounts as specified in the insurance requirements in regard to mutual indemnity obligations, then it is agreed that LINN has approved self-insurance as stated in the Texas Oilfield Anti-Indemnity Act and the mutual indemnification amount shall be the maximum amount carried by LINN.

8. Arbitration.

8.1 General. Any and all claims, disputes, controversies or other matters in question arising out of or relating to an audit dispute under Section 2.8, a disagreement on the list of Berry Operating Property under paragraph (B) of Section 3.5, calculation of the Monthly Settlement Statement under Section 5.4, or calculation of the Final Settlement Statement under Section 5.8, or any amounts therein or revisions thereto (all of which are referred to herein as "**Disputes,**" which term shall not include any other claims, disputes, controversies or other matters in question arising under this Agreement) shall be resolved in the manner prescribed by this Article 8.

8.2 Senior Management. If a Dispute occurs that the senior representatives of the Parties responsible for this Agreement have been unable to settle or agree upon within a period of 15 days after such Dispute arose, then each Party shall nominate and commit one of its senior officers to meet at a mutually agreed time and place not later than 30 days after such Dispute arose to attempt to resolve same. If such senior management have been unable to resolve such Dispute within a period of 15 days after such meeting, or if such meeting has not occurred within 45 days after such Dispute arose, then either Party to such Dispute shall have the right, by written notice to the other Party to such Dispute, to resolve such Dispute through the relevant Independent Expert pursuant to Section 8.3.

8.3 Dispute Resolution by Independent Expert.

(A) Each Party shall have the right to submit each Dispute to an independent expert appointed in accordance with this Section 8.3 (each, an "**Independent Expert**"), who shall serve as sole arbitrator. The Independent Expert shall be appointed by mutual agreement of the Parties from among candidates with experience and expertise in the area that is the subject of such Dispute, and failing such agreement, such Independent Expert for such Dispute shall be selected in accordance with the rules of the Commercial Arbitration Rules and Mediation Procedures (the "**Rules**") of the AAA.

(B) Each Dispute to be resolved by an Independent Expert shall be resolved in accordance with mutually agreed procedures and rules, including with regard to written discovery, depositions, summary judgment motions, prehearing procedures, and date, time, location and length of the hearing, and failing such agreement, in accordance with the Rules to the extent such Rules do not conflict with the provisions of this Agreement. The Independent Expert shall be instructed by the Parties to resolve such Dispute as soon as reasonably practicable in light of the circumstances, but in no case later than 30 days after conclusion of the arbitration hearing. The Independent Expert shall support the decision and award with a reasoned, written opinion. The decision and award of the Independent Expert shall be binding upon the Parties as an award under the Federal Arbitration Act and final and non-appealable to the maximum extent permitted by Applicable Law, and judgment thereon may be entered in a court of competent jurisdiction and enforced by any Party as a final judgment of such court.

(C) The charges and expenses of the arbitrator shall be shared one-half by Berry and one-half by LINN.

8.4 Limitation on Arbitration. ALL OTHER DISAGREEMENTS, DIFFERENCES, OR DISPUTES ARISING BETWEEN THE PARTIES UNDER THE TERMS OF THIS AGREEMENT (AND NOT COVERED BY THE DEFINITION OF "DISPUTES" SET FORTH IN SECTION 8.1) SHALL NOT BE SUBJECT TO ARBITRATION AND SHALL BE DETERMINED BY THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS UNLESS THE PARTIES OTHERWISE MUTUALLY AGREE.

9. Miscellaneous.

9.1 Successors and Assigns. This Agreement shall inure to the benefit of, and shall be binding upon, the Parties and their respective successors and assigns; provided, however, that this Agreement and all rights and obligations hereunder cannot be assigned by either Party (by operation of law or otherwise) without the prior written consent of the other Party, such consent to be at such other Parties' sole discretion.

9.2 Entire Agreement. Except for and without limiting either Party's rights under the Berry Consensual Plan, this Agreement constitutes the entire agreement and understanding between the Parties with respect to the subject matter of this Agreement (including the Services). Notwithstanding the foregoing, in the event of a conflict between the provisions of this Agreement and the Berry Consensual Plan, the terms of the Berry Consensual Plan shall prevail. For the avoidance of doubt, the Agency Agreement and Power of Attorney dated March 5, 2014, executed by Berry and LOI has been terminated and is of no further force or effect.

9.3 Amendment. This Agreement may be amended or modified only by written instrument executed by the authorized representatives of LINN and Berry, respectively.

9.4 Choice of Law. The provisions of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, without regard to the conflicts of laws principles thereof. Subject to Article 8, each Party hereby irrevocably and unconditionally submits to the exclusive jurisdiction of the United States Bankruptcy Court for the Southern District of Texas over any suit, action, or proceeding arising out of or relating to this Agreement.

9.5 No Recourse. All Claims that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement, may be made only against the Persons that are expressly identified as Parties (i.*e.*, LINN or Berry). No Person who is not a named party to this Agreement, including any past, present or future direct or indirect director, officer, employee, incorporator, member, manager, partner, equity holder, Affiliate, agent, attorney or representative of any named Party to this Agreement ("**Non-Party Affiliates**"), shall have any liability (whether in contract or in tort or otherwise, or based upon any theory that seeks to impose liability of an entity party against its owners or Affiliates) for any obligations or liabilities arising under, in connection with or related to this Agreement or for any claim based on, in respect of, or by reason of this Agreement or its negotiation or execution, and each Party waives and releases all such liabilities, claims and obligations against any such Non-Party Affiliates. Non-Party Affiliates are expressly intended as third-party beneficiaries of this provision of this Agreement.

9.6 Unenforceable Provisions. Any provision in this Agreement that might otherwise be invalid or unenforceable because of the contravention of any Applicable Law shall be deemed to be amended to the extent necessary to remove the cause of such invalidation or unenforceability, and such provision, as amended, shall remain in full force and effect.

9.7 No Set-Off. Except as mutually agreed to in writing by LINN and Berry, neither Party shall have any right of set-off or other similar rights with respect to (i) any amounts received pursuant to this Agreement or (ii) any other amounts claimed to be owed to the other Party arising out of this Agreement or any other agreement between the Parties.

9.8 Notices.

(A) All notices, consents, waivers and other communications under this Agreement must be in writing and shall be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by email (with read receipt requested, with the receiving Party being obligated to respond affirmatively to any read receipt requests delivered by the other Party), (c) received by the addressee, if sent by a delivery service (prepaid, receipt requested) or (d) received by the addressee, if sent by registered or certified mail (postage prepaid, return receipt requested), in each case to the appropriate addresses and representatives (if applicable) set forth below, except as provided in paragraph (B) of this Section 9.8, (or to such other addresses and representatives as a Party may designate by notice to the other Party):

(i) If to LINN, then to:

Linn Operating, Inc.
600 Travis Street
Houston, Texas 77002
Attn: Arden Walker
Phone: [(281) 840-4000
E-mail: awalker@linnenergy.com

with copies (which shall not constitute notice) to:

Linn Operating, Inc.
600 Travis Street
Houston, Texas 77002
Attn: General Counsel
Phone: (281) 840-4000
E-mail: cwells@linnenergy.com

Kirkland & Ellis LLP
600 Travis Street, Suite 3300
Houston, Texas 77002
Attn: Anthony Speier, P.C.; David M. Castro, Jr.
Phone: (713) 835-3607; (713) 835-3609
E-mail: anthony.speier@kirkland.com
david.castro@kirkland.com

(ii) If to Berry:

Berry Petroleum Company, LLC
5201 Truxtun Avenue, Suite 100
Bakersfield, California 93309
Attn: Arthur T. Smith, Chief Executive Officer
Phone: (214) 384-3966
E-mail: tsmith@bry.com

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

Norton Rose Fulbright US LLP
1301 McKinney, Suite 5100
Houston, Texas 77010-3095
Attn: John G. Mauel, Partner
Phone: (713) 651-5173
E-mail: john.mauel@nortonrosefulbright.com

(B) Any notice required under Article 1 shall be delivered in the manner described by paragraph (A) of this Section 9.8 when delivered to:

(i) If to LINN, then to:

Linn Operating, Inc.
600 Travis Street
Houston, Texas 77002
Attn: Jamin McNeil
Phone: 281-840-4000
E-mail: 281-840-4000

with copies (which shall not constitute notice) to:

Linn Operating, Inc.
600 Travis Street
Houston, Texas 77002
Attn: General Counsel
Phone: (281) 840-4000
E-mail: cwells@linnenergy.com

(ii) If to Berry:

Berry Petroleum Company, LLC
5201 Truxtun Avenue, Suite 100
Bakersfield, California 93309
Attn: Arthur T. Smith, Chief Executive Officer
Phone: (214) 384-3966
E-mail: tsmith@bry.com

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

Norton Rose Fulbright US LLP
1301 McKinney, Suite 5100
Houston, Texas 77010-3095
Attn: John G. Mauel, Partner
Phone: (713) 651-5173
E-mail: john.mauel@nortonrosefulbright.com

9.9 Independent Contractor. LINN shall act solely as independent contractors, and nothing herein shall at any time be construed to create the relationship of employer and employee, partnership, principal and agent, broker or finder, or joint venturers as between Berry and LINN. Except as expressly provided herein, neither Party shall have any right or authority, and shall not attempt to enter into any contract, commitment, or agreement or to incur any debt or liability of any nature, in the name of or on behalf of the other Party.

9.10 No Third Party Beneficiaries. Except as expressly provided herein, nothing in this Agreement shall entitle any Person other than the Parties, the LINN Indemnified Parties, and the Berry Indemnified Parties, or their respective successors and assigns, to any claim, cause of action, remedy, or right of any kind under this Agreement.

9.11 Execution in Counterparts. This Agreement may be executed simultaneously in two or more counterparts (including by means of facsimile or email of a portable document format (pdf) of the signature pages), each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same instrument.

9.12 No Strict Construction. Berry and LINN participated jointly in the negotiation and drafting of this Agreement, and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by Berry and LINN, and no presumption or burden of proof shall arise favoring or disfavoring either Party by virtue of the authorship of any provision of this Agreement. Without limitation as to the foregoing, no rule of strict construction construing ambiguities against the draftsperson shall be applied against either Party with respect to this Agreement.

9.13 Force Majeure. Continued performance of a portion of the Services may be suspended immediately to the extent such performance is prevented by any event or condition beyond the reasonable control of LINN, including acts of God, fire, labor strike or trade disturbance, war, terrorism, civil commotion, inability to procure labor, unavailability of equipment, compliance in good faith with any Applicable Law (whether or not it later proves to be invalid), or any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of LINN (a "**Force Majeure Event**"). Upon the occurrence of a Force Majeure Event, LINN shall (i) use all reasonable efforts to

mitigate the effect of such Force Majeure Event, (ii) give notice to Berry of the occurrence of the Force Majeure Event giving rise to the suspension and of its nature and anticipated duration, and (iii) during such Force Majeure Event, shall keep Berry reasonably advised of its efforts to overcome such Force Majeure Event.

9.14 Interpretation. Unless otherwise expressly provided in this Agreement, for purposes of this Agreement, the following rules of interpretation shall apply:

(i) Calculation of Time Period. When calculating the period of time before which, within which, or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded, and if the last day of such period is a day other than a Business Day, then the period in question shall end on the next succeeding Business Day;

(ii) Dollars. Any reference in this Agreement to $ means United States dollars;

(iii) Exhibits and Schedules. All Exhibits and Schedules attached or annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein, and any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein shall be defined as set forth in this Agreement;

(iv) Gender and Number. Any reference in this Agreement to gender includes all genders, and words imparting the singular number only include the plural and vice versa;

(v) Headings. The division of this Agreement into Articles, Sections, and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in the construction or interpretation of this Agreement, and all references in this Agreement to any “Section” or “Article” are to the corresponding Section or Article of this Agreement unless otherwise specified;

(vi) Herein. Words such as “herein,” “hereof,” and “hereunder” refer to this Agreement as a whole and not merely to a subdivision in which such words appear, unless the context otherwise requires;

(vii) Including. The word “including” or any variation thereof means “including, without limitation,” and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it; and

(viii) Statute. Unless otherwise specified, references to a statute means such statute as amended from time to time and includes any successor legislation thereto and any rules or regulations promulgated thereunder.

9.15 Specific Performance. The Parties agree that irreparable damage would occur if any provision of this Agreement is not performed in accordance with the terms hereof, including if LINN fails to perform the Services or to take any other action required of it hereunder, and that the Parties shall be entitled to an injunction or injunctions without proof of damages or posting a bond or other security to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof, in addition to any other remedy to which they are entitled under Applicable Law or in equity. Unless otherwise expressly stated in this Agreement, no right or remedy described or provided in this Agreement is intended to be exclusive or to preclude a Party from pursuing other rights and remedies to the extent available under this Agreement, under Applicable Law or in equity. The right of specific performance and other equitable relief is an integral part of the transactions contemplated by this Agreement and without that right, neither LINN nor Berry would have entered into this Agreement.

9.16 Confidentiality. The terms of this Agreement and any information obtained pursuant to this Agreement shall be kept confidential by the Parties, except (i) disclosure of matters that become a matter of public record as a result of the bankruptcy case referenced in the Recitals and the filings related thereto, (ii) to the extent required by Applicable Law, (iii) to the extent that this Agreement is the subject of an action for enforcement of its terms or for the breach thereof, or (iv) to the extent that disclosure of this Agreement is required by a court of law. In the event that disclosure as described in the preceding clause (iv) is sought, the Party from whom it is sought shall immediately notify the other Party, and shall diligently pursue protection of the confidentiality of the information sought to be disclosed through objections to disclosure, motions for protective orders and other protections provided by rule of Applicable Law.

9.17 Joint and Several Liability. Each of LOI, LM, Linn Energy, LC, LEF, LEH, LE&PM, LEM, LME, MC-I, MC-II, MCH-I and MCH-II shall be collectively responsible for, and shall have joint and several liability under this Agreement with respect to, the obligations of LINN under this Agreement.

9.18 Expenses. Other than as expressly set forth in this Agreement, the Parties shall bear their own respective expenses (including all compensation and expenses of counsel, financial advisors, consultants, actuaries and independent accountants) incurred in connection with this Agreement and the transactions contemplated hereby.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned representatives of each of the Parties has executed this Agreement on the date first above written to be effective for all purposes as of the Effective Date.

Berry:
BERRY PETROLEUM COMPANY, LLC

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: Chief Executive Officer

LINN:
LINN OPERATING, INC.

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

LINN MIDSTREAM, LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

LINN ENERGY, LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

LINNCO, LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

LINN ENERGY FINANCE CORP.

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

LINN EXPLORATION & PRODUCTION MICHIGAN LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

LINN EXPLORATION MIDCONTINENT, LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

LINN MIDWEST ENERGY LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

MID-CONTINENT I, LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

MID-CONTINENT II, LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

MID-CONTINENT HOLDINGS I, LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

MID-CONTINENT HOLDINGS II, LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

LINN ENERGY HOLDINGS, LLC

[REVIEWED LEGAL]
By: /s/ Arden L. Walker, Jr.
Name: Arden L. Walker, Jr.
Title: Executive Vice President and Chief Operating Officer

Exhibit A

DEFINITIONS

"**AAA**" means the American Arbitration Association.

"**Access Period**" shall have the meaning ascribed to it in Section 4.1.

"**Accounting Period**" means the Transition Period (as the same may be extended pursuant to Section 2.9) through the date that is the last day of the second full calendar month thereafter.

"**AFE**" shall have the meaning ascribed to it in Section 1.2.

"**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly (through one or more intermediaries) Controls, is Controlled by, or is under common Control with, such specified Person.

"**Agreement**" shall have the meaning ascribed to it in the Preamble.

"**Applicable Law**" means any applicable principle of common law, statute, law, rule, regulation, ordinance, order, code, ruling, writ, injunction, decree or other official act of or by any Governmental Authority.

"**Assigned Operating Contract**" shall have the meaning ascribed to it in paragraph (C) of Section 3.2.

"**Available Employee**" means any employee listed on Schedule 6.

"**Berry**" shall have the meaning ascribed to it in the Preamble.

"**Berry Assets**" shall have the meaning ascribed to it in paragraph (B) of Section 3.1.

"**Berry Consensual Plan**" shall have the meaning ascribed to it in the Recitals.

"**Berry Contracts**" shall have the meaning ascribed to it in clause (v) of paragraph (C) of Section 3.1.

"**Berry Employee**" means any employee designated as a "Berry Employee" on Schedule 6.

"**Berry Equipment**" shall have the meaning ascribed to it in clause (ii) of paragraph (C) of Section 3.1.

"**Berry Estate**" shall have the meaning given to the term "Berry Debtors' Estate" in the LINN Consensual Plan.

"**Berry Facilities**" shall have the meaning ascribed to it in clause (iv) of paragraph (B) of Section 3.1.

"**Berry G&G Data**" shall have the meaning ascribed to it in clause (vi) of paragraph (C) of Section 3.1.

"**Berry Indemnified Parties**" shall have the meaning ascribed to it in paragraph (A) of Section 6.2.

"**Berry Leasehold and Mineral Interests**" shall have the meaning ascribed to it in clause (i) of paragraph (B) of Section 3.1.

"**Berry-LINN Employee**" means any employee designated as a "Berry-LINN Employee" on Schedule 6.

"**Berry Operating Contracts**" shall have the meaning ascribed to it in paragraph (A) of Section 3.2.

"**Berry Operating Equipment**" shall have the meaning ascribed to it in paragraph (A) of Section 3.5.

"**Berry Operating Property**" shall have the meaning ascribed to it in paragraph (A) of Section 3.5.

"**Berry Operating Yard Equipment**" shall have the meaning ascribed to it in paragraph (A) of Section 3.5.

"**Berry Permits**" shall have the meaning ascribed to it in clause (iv) of paragraph (C) of Section 3.1.

"**Berry Properties**" shall have the meaning ascribed to it in clause (ii) of paragraph (B) of Section 3.1.

"**Berry Receivables**" means all expenditures incurred by Berry (or LINN or its Affiliate on behalf of Berry) in connection with the ownership, operation and maintenance of the Berry Properties (including rentals, overhead, royalties, Lease option and extension payments, Taxes and other charges and expenses billed under applicable operating agreements or governmental statute(s)) and billed by Berry (or LINN or its Affiliate on behalf of Berry) to Third Party working interest owners, which remain outstanding and owed to Berry (or LINN or its Affiliate on behalf of Berry);

"**Berry Records**" shall have the meaning ascribed to it in clause (ix) of paragraph C of Section 3.1.

"**Berry Related Assets** shall have the meaning ascribed to it in paragraph C of Section 3.1.

"**Berry Severance Fees**" shall have the meaning ascribed to it in Section 4.3.

"Berry Shared Contracts" shall have the meaning ascribed to it in paragraph (A) of Section 3.2.

"Berry Software" shall have the meaning ascribed to it in clause (xii) of paragraph (C) of Section 3.1.

"Berry Statement of Assets and Liabilities" shall have the meaning ascribed to it in the Recitals.

"Berry Wells" shall have the meaning ascribed to it in clause (ii) of paragraph (B) of Section 3.1.

"Business Day" means any day, other than Saturday or Sunday, on which commercial banks are open for commercial business with the public in the state(s) in which the Berry Assets are located and Houston, Texas.

"Cash Call" shall have the meaning ascribed to it in paragraph (A) of Section 5.3.

"Change of Operator Forms" shall have the meaning ascribed to it in clause (i) of Section 3.3.

"Claim" means any claim, demand, liability, suit, cause of action (whether in contract, tort otherwise), loss, cost, and expense of every kind and character.

"Contract" means any agreement, contract, obligation, promise or undertaking (other than a Lease or other instrument creating or evidencing an interest in the Berry Properties) related to or used in connection with the operations of any Berry Properties that is legally binding.

"Control" means the ability (directly or indirectly through one or more intermediaries) to direct or cause the direction of the management or affairs of a Person, whether through the ownership of voting interests, by contract or otherwise.

"COPAS" shall mean the Council of Petroleum Accountants Societies, Inc.

"Current Month Settlement" shall have the meaning ascribed to it in Section 5.4.

"Dispute" shall have the meaning ascribed to it in Section 8.1.

"Effective Date" shall have the meaning ascribed to it in the Berry Consensual Plan.

"Excluded LINN Records and Data" means (a) the general corporate files and records of LINN and its non-Berry Affiliates, insofar as they relate to the business of LINN or its non-Berry Affiliate generally and are not required for the future ownership or operation of the Berry Assets; (b) all legal files and records (other than title opinions) other than legal files directly related to Claims associated with Berry or the Berry Assets; (c) federal or state income, franchise or margin tax files and records of LINN or its non-Berry Affiliates; (d) employee files (other than any employee files for Available Employees hired by Berry pursuant to Article 4 that may

be transferred to Berry without violating Applicable Law); (e) reserve evaluation information or economic projections other than those related specifically to the Berry Assets; (f) records relating to the sale of the Berry Assets, including competing bids (g) proprietary data, information and data under contractual restrictions on assignment or disclosure for which no consent has been given; (h) privileged information (other than title opinions) and (i) any other files or records to the extent relating solely to any property or activities of LINN or its non-Berry affiliates.

"**Final Settlement Statement**" shall have the meaning ascribed to it in Section 5.8.

"**Force Majeure Event**" shall have the meaning ascribed to it in Section 9.13.

"**Full Management Fee**" shall have the meaning ascribed to it in paragraph (B) of Section 5.2.

"**Governmental Authority**" means any court or tribunal (including an arbitrator or arbitral panel) in any jurisdiction (domestic or foreign) or any federal, tribal, state, county, municipal or other governmental or quasi-governmental body, agency, authority, department, board, commission, bureau, official or other authority or instrumentality.

"**Hill Field Offices**" shall have the meaning ascribed to it in clause (i) of paragraph (C) of Section 3.1.

"**Hugoton Field Offices**" means the real property described on Schedule 11 and all field offices located thereon.

"**Hydrocarbons**" means oil, gas, minerals, and other gaseous and liquid hydrocarbons, or any combination of the foregoing, produced from and attributable to the Berry Properties.

"**Independent Expert**" shall have the meaning ascribed to it in paragraph (A) of Section 8.3.

"**Lease**" means any oil and gas lease, oil, gas and mineral lease or sublease, or other leasehold interest, and the leasehold estates created thereby, including carried interests, rights of recoupment, options, reversionary interests, convertible interests and rights to reassignment.

"**Leasehold Interest**" means, with respect to a Lease, a working or other interest in and to such Lease.

"**LC**" shall have the meaning ascribed to it in the Preamble.

"**LEF**" shall have the meaning ascribed to it in the Preamble.

"**LEH**" shall have the meaning ascribed to it in the Preamble.

"**LEM**" shall have the meaning ascribed to it in the Preamble.

"**LE&PM**" shall have the meaning ascribed to it in the Preamble.

"**Letters in Lieu"** shall have the meaning ascribed to it in clause (ii) of Section 3.3.

"**Liabilities**" means any and all claims, rights, demands, causes of action, liabilities, obligations, damages, losses, fines, penalties, sanctions of every kind and character (including reasonable fees and expenses of attorneys, technical experts and expert witnesses), judgments or proceedings of any kind or character whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due, and whether arising or founded in Applicable Law or voluntary settlement, and all reasonable expenses, costs and fees (including reasonable attorneys' fees) in connection therewith.

"**Limited Management Fee**" shall have the meaning ascribed to it in paragraph (B) of Section 5.2.

"**LINN**" shall have the meaning ascribed to it in the Preamble.

"**LINN Consensual Plan**" shall have the meaning ascribed to it in the Recitals.

"**LINN Estate**" shall have the meaning given to the term "Linn Debtors' Estate" in the LINN Consensual Plan.

"**Linn Energy**" shall have the meaning ascribed to it in the Preamble.

"**LINN Indemnified Parties**" shall mean LINN and its Affiliates, and its and their equity holders, directors, officers, employees, consultants, accountants, counsel, advisors, and agents.

"**LM**" shall have the meaning ascribed to it in the Preamble.

"**LME**" shall have the meaning ascribed to it in the Preamble.

"**LOI**" shall have the meaning ascribed to it in the Preamble.

"**Management Fee**" shall have the meaning ascribed to it in paragraph (B) of Section 5.2.

"**MC-I**" shall have the meaning ascribed to it in the Preamble.

"**MC-II**" shall have the meaning ascribed to it in the Preamble.

"**MCH-I**" shall have the meaning ascribed to it in the Preamble.

"**MCH-II**" shall have the meaning ascribed to it in the Preamble.

"**Mineral Interest**" means any mineral fee interest, mineral right or mineral servitude, including non-participating royalty interests and other rights of a similar nature, whether legal or equitable, whether vested or contingent.

"**Mirrored Licenses**" shall have the meaning ascribed to it in paragraph (B) of Section 1.13.

"**Monthly Settlement Statement**" shall have the meaning ascribed to it in Section 5.4.

"**Monthly Statement"** shall have the meaning ascribed to it in Section 1.11.

"**New Production Environment"** shall have the meaning ascribed to it in Section 1.13(B) of Exhibit B.

"**Non-Operated Berry Properties"** shall mean the portion of the Berry Properties currently operated by a Third Party or operated by LINN as an agent for a Person other than Berry, as so identified on Schedule 1 and Schedule 2 (which Non-Operated Berry Properties include the Hugoton properties and do not include the Hill properties).

"**Non-Party Affiliate"** shall have the meaning ascribed to it in Section 9.5.

"**Offer Period"** shall have the meaning ascribed to it in Section 4.2.

"**Operated Berry Properties"** shall mean that portion of the Berry Properties currently operated by LINN as agent for Berry, as so identified on Schedule 1 and Schedule 2 (which Operated Berry Properties include the Hill properties and do not include the Hugoton properties).

"**Operating Property Amount"** shall have the meaning ascribed to it in paragraph (C) of Section 3.5.

"**Party**" or **"Parties"** shall have the meaning ascribed to it in the Preamble.

"**Person**" means any individual, corporation (including any non-profit corporation), partnership, limited liability company, joint venture, estate, trust, association, organization or other entity or Governmental Authority.

"**Reference Period"** shall have the meaning ascribed to it in Section 1.

"**Reimbursement Expenses"** shall have the meaning ascribed to it in paragraph (A) of Section 5.2.

"**Representatives**" shall mean LINN's existing personnel, including its current employees, contractors, attorneys, agents, representatives, and consultants.

"**Rules**" shall have the meaning ascribed to it in paragraph (A) of Section 8.3.

"**Separation Period"** means the period between the first day following the Transition Period (as the same may be extended pursuant to Section 2.9) and the end of the Accounting Period.

"**Service Fees"** shall have the meaning ascribed to it in paragraph (B) of Section 5.2.

"**Services**" shall have the meaning ascribed to it in Section 1.

"**Surface Rights"** means all surface leases, subsurface leases, rights-of-way, licenses, easements and other surface or subsurface rights agreements applicable to, used, or held in connection with the ownership, operation, maintenance or repair of, or the production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or produced water from, the Berry Properties, together with all surface fee interests in the lands covered by the Berry Leasehold and Mineral Interests.

"**Suspense Funds**" means proceeds of production and associated penalties and interest in respect of any of the Operated Berry Properties that are payable to Third Parties and are being held in suspense by LINN as the operator of such Operated Berry Properties.

"**Term**" shall have the meaning ascribed to it in paragraph (A) of Section 5.1.

"**Third Party**" means any Person other than Berry or LINN or any of their Affiliates.

"**Transferred Hardware**" means the equipment described on Schedule 8, unless Berry notifies LINN in writing within 30 days after the Effective Date that Berry does not want one or more items on Schedule 8 to be included as Transferred Hardware.

"**Transition JIB Balance**" shall have the meaning ascribed to it in Section 5.6.

"**Transition Period**" means the period from the Effective Date through the date that is the last day of the second full calendar month after the Effective Date (as the same may be extended pursuant to Section 2.9).

"**Vehicles**" shall have the meaning ascribed to it in clause (xiv) of paragraph (C) of Section 3.1.

Exhibit B

SERVICES

#	Service	General Description
1.1	Operator Services	• Manage and oversee day-to-day operation of the Operated Berry Properties, including operation and management of existing wells, structures, equipment, and facilities • Supervise personnel, subcontractors, suppliers, vendors, etc. • Monitor production and prepare and submit any necessary forms or reports as required by regulatory agencies • Dispose of all salt water and waste materials • Perform field operations • Account for and disburse production (limited to the production of Hydrocarbons from the Berry Assets prior to the end of the Transition Period) • Administer the Suspense Funds; provided, however, that Berry will assume the Suspense Funds (including any escheatment obligations related thereto) as of the first day following the Transition Period; provided, however, further, that prior to the end of the Transition Period, LINN will provide, or cause to be provided, any and all documentation in LINN's possession necessary for Berry to administer the Suspense Funds following the end of the Transition Period
1.2	Non-Operator Services	• Monitor operation of the Non-Operated Berry Properties • Collect revenues on behalf of Berry • Review operating expense statements; request additional information from, and address any concerns with, the Third Party operators (if necessary); and pay applicable operating expenses • Process non-operated joint interest billing invoices
1.3	Permits	• Maintain all Permits • Take reasonable action necessary to transfer or assign all Berry Permits held in the name of LINN, contingent upon Berry's

#	Service	General Description
		obligations described in Sections 1.3 and paragraph (A) of 3.4)
1.4	Transportation and Marketing	• Manage (or, if applicable, oversee provision by a Third Party approved by Berry of) midstream services, transportation and marketing services, gas control services, and other similar services to physically and financially sell the production from the Operated Berry Properties
1.5	Well Maintenance	• Provide supervision for all workover operations, recompletion operations, and any type of remedial operation or well service operation with respect to the Operated Berry Properties • Contract with supervisory personnel for onsite supervision as required (but in no event will LINN be required to add contract onsite supervision above the level of supervision currently provided) • Establish and maintain well files containing information on operations performed in connection with each such well
1.6	Payment Services	• Pay lease rentals, shut-in royalties, minimum royalties, payments in lieu of production, royalties, overriding royalties, production payments, net profit payments, and other similar payments associated with the Operated Berry Properties; provided, however, that, in the case of payments related to production from the Operated Berry Properties other than shut-in payments during the Term, these obligations shall be limited to payment obligations arising from production from the Operated Berry Properties prior to the end of the Transition Period • Pay operating costs and invoices that are required to be paid under the terms and provisions of the applicable agreements and which are attributable to the ownership, operation, use, or maintenance of the Berry Properties

1.7	Lease and Land Administration	• Provide all land, land administration, lease, and title services with respect to the Berry Properties, in each case in the ordinary course of LINN's business and in no case requiring additional services beyond those currently performed by LINN, including:
		  • Administer all leases and agreements relating to the Berry Properties
		  • Maintain and update all lease, ownership, contract and property records and databases relating to the Berry Properties through changes received at the end of the second calendar month following the Effective Date to the extent practicable

#	Service	General Description
		• Generate, verify, process, approve and sign (provided that Berry has provided LINN a special power of attorney authorizing LINN to sign on Berry's behalf) all internal and external division orders and transfer orders required in the normal course of business • Identify, pay and appropriately invoice all rentals, surface, right of way, shut-in and other similar payments required by the leases or other agreements relating to the Berry Properties • Maintain all land, contract, division of interest, lease files, and other files relating to the subject lands, lease and land administration functions • Maintain and update all royalty and suspense accounts, reports and databases • Perform such other reasonable and customary administrative services as LINN administers or causes to be administered to maintain the leases or agreements relating to the Berry Properties in the ordinary course of its business
1.8	Regulatory Affairs	• Provide services to comply with all regulatory requirements applicable to the Berry Properties • Prepare all federal, state, regulatory and other monthly production reports related to production of Hydrocarbons from the Berry Properties prior to the end of the Transition Period; copies of said reports will be provided to Berry • Maintain incident management reporting processes in LINN's ordinary course of business and maintain all existing safety practices, which could include all or any of the following: internal reports, OSHA filings, safety standard operating procedures (SOPs), emergency response protocols, chemical exposure and hearing testing, drug and alcohol programs, incident follow-up and other activities to provide health and safety training; provided, however, that nothing herein will require LINN to adopt new practices or change its existing practices
1.9	Plugging and	• Obtain necessary non-operated working interest owner approval and regulatory permits to abandon any wells included in the

#	Service	General Description
	Abandonment	Operated Berry Properties when required by applicable law to be abandoned during the Transition Period • Provide supervision for abandonment operations and file all necessary abandonment reports after the completion of the abandonment operations
1.10	Environmental Compliance	• If LINN discovers instances of non-compliance with environmental, health, or safety laws, rules, or regulations, notify Berry of such non-compliance • [insert any reviews, audits or other queries required to be undertaken during the Transition Period as referenced in Section 1.10]
1.11	Bookkeeping; Finance and Treasury; Accounting	• Assist with internal reporting, management of general ledger functions, asset and real property accounting, treasury and financial management services, maintenance of capital expenditure, and other operating budgets for production from the Berry Properties prior to the conclusion of Transition Period • Monthly net lease operating statement reporting, including reasonable volume, pricing, revenue, and expense supporting detail on the 15th day after each month end during the Accounting Period • Production and regulatory reporting related to the Berry Properties (limited to reporting related to the Berry Properties or production from the Berry Properties prior to the conclusion of the Transition Period) • Prepare joint interest accounting and billings associated with the Berry Properties for periods prior to the end of the Transition Period • Perform AFE tracking and status reporting relating to the Berry Properties during the Transition Period • Perform gas balancing relating to the Berry Properties for periods and related to production prior to the end of the Transition Period • Perform working interest and royalty owner disbursements for production from the Berry Properties prior to the end of the Transition Period • Provide collection of accounts receivable associated with the Berry

#	Service	General Description
		Properties relative only to periods and production prior to the end of the Transition Period • Provide any reports currently prepared in the ordinary course of LINN's business related to the Berry Properties that are practicably segregated to the Berry Properties in generally the same manner and timing as currently prepared by LINN; provided that in the case of reports related to payments for production of hydrocarbons, such reports will be limited to production from the Berry Properties prior to the end of the Transition Period • Calculate, file, and remit severances taxes associated with the production from the Berry Properties prior to the end of the Transition Period • Provide production accounting services associated with the Berry Properties for production from the Berry Properties prior to the end of the Transition Period • Provide revenue accounting services related to the Berry Properties for production from the Berry Properties prior to the end of the Transition Period • Provide audit function support services associated with the Berry Properties related to periods or production prior to the end of the Transition Period, limited to responsive audits and excluding any audit initiated by Berry • Process joint interest billings associated with the Non-Operated Berry Properties related to periods prior to the end of the Transition Period • Provide payout accounting services associated with the Berry Properties related to periods prior to the end of the Transition Period
1.12	Real Estate; Facilities	• Manage all real estate and facilities that are part of the Berry Estate in connection with the operation of the Berry Properties

#	Service	General Description
1.13(A) Part One	Information Technology Systems – Standard Term Support During Transition Period	• Provide IT-related infrastructure (hardware, software, network, security, etc.), technical expertise, and services necessary to maintain the operations of the Berry Properties • Provide consultation regarding the migration to Berry's information systems in respect to operation of the Berry Properties
1.13(A) Part Two	Information Technology Systems – Standard Term Support During Accounting Period	• Provide IT data from LINN systems in their native or export format • Provide continuing e-mail services for LINN employees performing Services under this Agreement • Provide extraction of Berry Asset related application data and transmittal of this data to Berry in their native or export format
1.13(B)	Information Technology Systems - Optional Additional Support	• Create a copy of the database(s) in existing Transferred Hardware environment, specifically related to P2 and field view (the "**New Production Environment**") • Provide limited access to no more than [three] of Berry's personnel to the New Production Environment for the limited purposes of (i) configuring the New Production Environment, (ii) loading Berry Asset related data provided by LINN under Section 1.13(A) of this Exhibit B to the New Production Environment, and (iii) creating user security permissions for New Production Environment
1.14	Tax	• Assist with, and maintain proper documentation for, the collection and remittance of federal, state, and local sales, use, and ad valorem taxes • Prepare and distribute 1099 forms for owners for all activity for the time period LINN is responsible for the related distributions and disbursements
1.15	Corporate Contracts	• Perform, administer, and maintain existing contractual arrangements with respect to the Berry Assets and the Services performed hereunder
1.16	Records Retention	• Provide necessary assistance in the storage and retrieval of documentation and backup information to the extent related to the Berry Assets and the Services performed hereunder • Provide, upon request from Berry, any portion of Records not

#	Service	General Description
		already provided, including but not limited to financial information from prior periods (to the extent such information requested exists in LINN's financial reporting system and to the extent such information is included within the definition of Records)
		• Provide other types of historical data to Berry as reasonably needed in connection with Berry's audit and tax compliance activities, government reporting, or other Third Party inquiries
1.17	Transition	• Cooperate and assist in transition to Berry of Services provided by LINN under this Agreement
		• Provide data and information (*e.g.*, accounting, division of interest, land data, production data, etc.) utilized by LINN in connection with this Agreement
		• Provide the information that is available to LINN for Berry to begin revenue distribution, joint interest billings, and payment of capital and operating expenses, taxes, shut-in payments, etc., in each case to the extent related to the Berry Properties
1.18	HR; Employee Benefits; Payroll	• Continue to perform administration and management of human resources, employee benefits programs, and payroll services and function for LINN's employees and independent contractors
		• Comply with workers compensation laws and carry and maintain other customary insurance

Exhibit C

FORM OF SETTLEMENT STATEMENT
FOR THE PERIOD (MONTHLY DURING TRANSITION PERIOD)

CALCULATION OF CASH TRANSFERRED:

Net revenues (as per paragraph (i) of Section 5.4)	$ XXX
less direct operating expenses (as per paragraph (ii) of Section 5.4)	XXX
plus COPAS recoveries (as per paragraph (iii) of Section 5.4)	XXX
less capital expenditures (as per paragraph (iv) of Section 5.4)	XXX
less bonus, lease rentals, shut-in payments, and other charges (as per paragraph (v) of Section 5.4)	XXX
less Reimbursement Expenses (as per paragraph (A) of Section 5.2)	XXX
less Management Fee (as per paragraph (B) of Section 5.2)	XXX
less unpaid amounts due under Section 5.2 (as per paragraph (viii) of Section 5.4)	XXX
less Berry Severance Fee (as per Section 4.3)	XXX
plus or less Other (itemized) (as per paragraph (xi) of Section 5.4)	XXX
CURRENT MONTH SETTLEMENT	$ XXX

Exhibit D

BERRY INSURANCE COVERAGE

[EXHIBIT FOLLOWS]

EXHIBIT D

Berry's Insurance Coverage

1) **Worker's Compensation** covering statutory liability as an employer under applicable state and federal laws; provided such insurance is only required at the time Berry directly employees any Person, including but not limited to the Available Employees.

2) **All-Risk Property Insurance** covering all risk of direct physical loss or physical damage to or of the Berry Assets.

3) **Commercial General Liability** in the amount of $1,000,000 per occurrence covering third party liability arising out of premises and operations.

4) **Commercial Automobile Liability** in the amount of $1,000,000 per occurrence covering third party liabilities arising out of the use of owned and non-owned automobiles.

5) **Energy, Exploration and Development Insurance** covering expenses to control a well out of control, necessary redrill and restoration following blowout, and expenses to clean-up resultant pollution.

6) **Excess Liability** in the amount of $10,000,000 per occurrence covering excess third party liabilities over 2), 3), 4) and 5.

Exhibit E

MIRRORED LICENSES

[EXHIBIT FOLLOWS]

Exhibit E Mirrored Licenses

Application	Vendor	Use/Purpose
OpenInvoice	Oildex	Accounting - AP Invoice
Oracle - EBS	Oracle	Accounting - Fin Reporting
P2 Enterprise Upstream	P2	Accounting - Production
Oracle -Version 11G	Oracle	Database/Reporting
Oracle Golden Gate	Oracle	Database/Reporting
Hyperion/Essbase	Oracle	BI/Reporting
SQL Server	MicroSoft	Database/Reporting
Autocad	CDW	Design
Aries	Landmark Graphics - Halliburton	Economics
Rodstar & XSPOC	Theta Oilfield Services Inc	Engineering
ManagerPlus	ManagerPlus	Facility Management
Microsoft - Desktop OS - Win 7 and 10	MicroSoft	General Use
Microsoft - Office 2010 -2016	MicroSoft	General Use
OFM	Schlumberger	Prod Surveillance
Petrel	Schlumberger	Geo Modelling
Petra	I.H.S.	Geological Interp & Mapping
Citrix	Citrix	IT - Infrastructure
CommVault	CommVault	IT - Infrastructure
Sanplicity - Berry SAN	Dell	IT - Infrastructure
TOAD	Dell	IT - Infrastructure
VMWare	CDW/VMWare	IT - Infrastructure
QLS	Quorum Business Solutions	Land
eRequester	Paperless Busienss	PO System
Crystal Ball	Oracle	Predictive Modelling
FieldVision	Stroud Technology	Production
OVS - DiSECT	OVS	Production
OSIPI	OSI Soft	Real time and Predictive Data
Builder/IMEX	CMG	Reservoir Simulation
WellView & SiteView	Peloton Computer Enterprises	Well Driing/Workover Data

Exhibit F

BILL OF SALE

[EXHIBIT FOLLOWS]

Exhibit F

ASSIGNMENT AND BILL OF SALE

This ASSIGNMENT AND BILL OF SALE (the "Assignment") from Linn Operating, Inc., a Delaware corporation ("LOI"), Linn Midstream, LLC, a Delaware limited liability company ("LM"), Linn Energy, LLC, a Delaware limited liability company ("Linn Energy"), LinnCo, LLC, a Delaware limited liability company ("LC"), Linn Energy Finance Corp., a Delaware corporation ("LEF"), Linn Energy Holdings, LLC, a Delaware limited liability company ("LEH"), Linn Exploration & Production Michigan LLC, a Delaware limited liability company ("LE&PM"), Linn Exploration Midcontinent, LLC, a Delaware limited liability company ("LEM"), Linn Midwest Energy LLC, a Delaware limited liability company ("LME"), Mid-Continent I, LLC, a Delaware limited liability company ("MC-I"), Mid-Continent II, LLC, a Delaware limited liability company ("MC-II"), Mid-Continent Holdings I, LLC, a Delaware limited liability company ("MCH-I"), Mid-Continent Holdings II, LLC, a Delaware limited liability company ("MCH-II") (LOI, LM, Linn Energy, LC, LEF, LEH, LE&PM, LEM, LME, MC-I, MC-II, MCH-I and MCH-II are referred to in this Agreement collectively as "Assignor"; provided, however, that with respect to particular uses of the term in this Agreement, "Assignor" shall mean each, any or all of LOI, LM, Linn Energy, LC, LEF, LEH, LE&PM, LEM, LME, MC-I, MC-II, MCH-I and MCH-II as applicable to the context of such use) to Berry Petroleum Company, LLC, a Delaware limited liability company ("Assignee"), is dated effective this [1st] day of [March], 2017. Assignor and Assignee are each, individually, referred to herein as a "Party" and, collectively, as the "Parties". Other than any term defined herein, capitalized terms used herein shall have the respective meanings set forth in that certain Transition Services and Separation Agreement dated February 28, 2017, by and between Assignor and Assignee (the "TSSA").

ARTICLE 1
ASSIGNMENT OF PROPERTIES AND ASSETS

Section 1.1 Assignment. Assignor, for and in consideration of the sum of Ten Dollars ($10) cash and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants, bargains, sells, assigns and conveys unto Assignee, and Assignee hereby accepts from Assignor, all of Assignor's right, title and interest in and to the following:

(a) all Berry Equipment that is part of the LINN Estate (including without limitation all such Berry Equipment described on Exhibit A, the "Berry Operating Equipment");

(b) all pipes, casing, tubing, tubulars, fittings, and other spare parts, supplies, tools, and materials located on, used or held for use on or held as inventory in connection with the ownership or operation of the Berry Assets that are part of the LINN Estate (including without limitation all such pipes, casing, tubing, tubulars, fittings, and other spare parts, supplies, tools, and materials described on Exhibit B, the "Berry Operating Yard Equipment");

(c) all of the equipment described on Exhibit C (the "Transferred Hardware"); and

(d) all of the vehicles described on Exhibit D (the "Vehicles", and together with the Berry Operating Equipment, the Berry Operating Yard Equipment and the Transferred Hardware, the "Berry Operating Property").

TO HAVE AND TO HOLD the Berry Operating Property unto Assignee, its successors and assigns, forever, subject, however, to the terms and conditions of this Assignment.

ARTICLE 2
DISCLAIMER

Section 2.1 Disclaimer. The equipment and personal property included in the Berry Operating Property is assigned "AS IS, WHERE IS" WITH ALL FAULTS, AND ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF CONDITION, QUALITY, SUITABILITY, DESIGN, MARKETABILITY, TITLE, INFRINGEMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR CONFORMITY TO MODELS OR SAMPLES OF MATERIALS ARE HEREBY DISCLAIMED.

ARTICLE 3
ASSUMPTION OF OBLIGATIONS

Section 3.1 Assumed Obligations. Except as otherwise provided in the TSSA and except for any Liabilities discharged or otherwise released pursuant to or in connection with the Berry Consensual Plan or the LINN Consensual Plan, Assignee assumes and agrees to fulfill, perform, pay and discharge (or cause to be fulfilled, performed, paid or discharged) all of the obligations, expenses and liabilities, known or unknown, arising from, based upon or associated with the Berry Operating Property, including obligations, expenses and liabilities relating in any manner to the use, ownership or operation thereof.

ARTICLE 4
MISCELLANEOUS

Section 4.1 Further Assurances. Assignor and Assignee each agree to take such further actions and to execute, acknowledge and deliver all such further documents as are reasonably requested by the other for carrying out the purposes of this Assignment.

Section 4.2 TSSA. This Assignment is delivered pursuant to, and hereby made subject to, the terms and conditions of the TSSA. In the event that any provision of this Assignment (other than any term defined herein) is construed to conflict with any provision of the TSSA, the provisions of the TSSA (other than with respect to terms defined herein) shall be deemed controlling to the extent of such conflict.

Section 4.3 Successors and Assigns. This Assignment shall inure to the benefit of, and shall be binding upon, the Parties and their respective successors and assigns.

Section 4.4 Titles and Captions. All article or section titles or captions in this Assignment are for convenience only, shall not be deemed part of this Assignment and in no way define, limit, extend or describe the scope or intent of any provisions hereof. Except to the extent otherwise stated in this Assignment, references to "Articles" and "Sections" are to Articles and Sections of this Assignment, and references to "Exhibits" are to Exhibits attached to this Assignment, which are made parts hereof for all purposes.

Section 4.5 Choice of Law. THE PROVISIONS OF THIS ASSIGNMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS OVER ANY SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR RELATING TO THIS ASSIGNMENT.

Section 4.6 Joint and Several Liability. Each of LOI, LM, Linn Energy, LC, LEF, LEH, LE&PM, LEM, LME, MC-I, MC-II, MCH-I and MCH-II shall be collectively responsible for, and shall have joint and several liability under this Assignment with respect to, the obligations of Assignor under this Assignment.

Section 4.7 Counterparts. This Assignment may be executed simultaneously in two or more counterparts (including by means of facsimile or email of a portable document format (pdf) of the signature pages), each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto have executed this Assignment as of date set forth above:

ASSIGNOR:

LINN OPERATING, INC.

By: _____
Name: _____
Title: _____

LINN MIDSTREAM, LLC

By: _____
Name: _____
Title: _____

LINN ENERGY, LLC

By: _____
Name: _____
Title: _____

LINNCO, LLC

By: _____
Name: _____
Title: _____

LINN ENERGY FINANCE CORP.

By: _____
Name: _____
Title: _____

LINN EXPLORATION &
PRODUCTION MICHIGAN LLC

By: _____
Name: _____
Title: _____

LINN EXPLORATION MIDCONTINENT, LLC

By: _____
Name: _____
Title: _____

LINN MIDWEST ENERGY LLC

By: _____
Name: _____
Title: _____

MID-CONTINENT I, LLC

By: _____
Name: _____
Title: _____

MID-CONTINENT II, LLC

By: _____
Name: _____
Title: _____

MID-CONTINENT HOLDINGS I, LLC

By: _____
Name: _____
Title: _____

MID-CONTINENT HOLDINGS II, LLC

By: _____
Name: _____
Title: _____

LINN ENERGY HOLDINGS, LLC

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto have executed this Assignment as of date set forth above:

ASSIGNEE:

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

[Signature Page to Assignment]

Exhibit G

SPECIAL WARRANTY DEED

[EXHIBIT FOLLOWS]

Special Warranty Deed

(Surface Estate)

State of §

§

County of §

This Special Warranty Deed (this "Deed") from Linn Operating, Inc., a Delaware corporation ("LOI") and Linn Energy Holdings, LLC, a Delaware limited liability company ("LEH" and together with LOI referred to in this Deed collectively as "Grantor"; provided, however, that with respect to particular uses of the term in this Deed, "Grantor" shall mean each, any or all of LOI and LEH as applicable to the context of such use) to Berry Petroleum Company, LLC, a Delaware limited liability company ("Grantee") whose mailing address is [•], is dated effective this [1st] day of [March], 2017. Grantor and Grantee are each, individually, referred to herein as a "Party" and, collectively, as the "Parties". Other than any term defined herein, capitalized terms used herein shall have the respective meanings set forth in that certain Transition Services and Separation Agreement dated February 28, 2017, by and between Grantor and Grantee (the "TSSA").

ARTICLE 1
GRANT

Grantor for and in consideration of the sum of Ten Dollars ($10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants, sells and coveys to the Grantee all of the real property described on Exhibit A attached hereto and made a part hereof for all purposes (the "Property"), SAVE AND EXCEPT. and Grantor hereby reserves and excepts unto itself, all of Grantor's right, title and interest, if any, in and to the oil, gas, and other minerals in, to, under and that may be produced from the Property. This DEED is MADE AND ACCEPTED SUBJECT TO any oil and gas lease(s); easements and right(s) of way; mineral interests, conveyance(s) or reservation(s); validly existing restrictions, reservations, covenants and conditions; and water interests all as appear of record in Kern County, CA, if any.

TO HAVE AND TO HOLD the Property unto Grantee, its successors and assigns, forever, subject, however, to the terms and conditions of this Deed.

ARTICLE 2
SPECIAL WARRANTY

(a) Grantor hereby binds itself and its successors and assigns to warrant and forever defend all and singular title to the Property unto Grantee against claims arising by, through or under Grantor or its Affiliates, but not otherwise, subject, however, to the Permitted Encumbrances.

(b) "Permitted Encumbrances" means with respect to the Property: (i) liens for taxes for which payment is not due or which are being contested in good faith by appropriate

proceedings; (ii) liens of mechanics, materialmen, warehousemen, landlords, vendors and carriers and any similar liens arising by operation of law which, in each instance, arise in the ordinary course of business for sums not yet due or that are being contested in good faith by appropriate proceedings; (iii) all rights reserved to or vested in any governmental authority to control or regulate such Property in any manner, and all laws, rules and orders of a governmental authority; and (iv) any other encumbrances to which Grantee has agreed to in writing.

ARTICLE 3
DISCLAIMER

EXCEPT AND TO THE LIMITED EXTENT EXPRESSLY SET FORTH IN ARTICLE 2, THE PROPERTY IS BEING ASSIGNED "AS IS, WHERE IS" WITH ALL FAULTS, AND ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF CONDITION, QUALITY, SUITABILITY, DESIGN, MARKETABILITY, TITLE, INFRINGEMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR CONFORMITY TO MODELS OR SAMPLES OF MATERIALS ARE HEREBY DISCLAIMED.

ARTICLE 4
ASSUMPTION OF OBLIGATIONS

Except as otherwise provided in the TSSA and except for any Liabilities discharged or otherwise released pursuant to or in connection with the Berry Consensual Plan or the LINN Consensual Plan, Grantee assumes and agrees to fulfill, perform, pay and discharge (or cause to be fulfilled, performed, paid or discharged) all of the obligations, expenses and liabilities, known or unknown, arising from, based upon or associated with the Property, including obligations, expenses and liabilities relating in any manner to the use, ownership or operation thereof.

ARTICLE 5
RECONVEYANCE OF THE PROPERTIES

The Parties acknowledge and agree that in connection with the TSSA, the Parties have entered into that certain Joint Operating Agreement dated as of February 28, 2017, governing the joint ownership and operation of certain oil and gas assets more particularly described on Exhibit A thereto (the "JOA"). In the event Grantor becomes the "Designated Operator" (as such term is defined in the JOA) pursuant to the JOA, Grantee shall promptly thereafter, on a form substantially the same as this Deed (including, for the avoidance of doubt, the special warranty of title set forth in Article 2), transfer, assign and convey to Grantor all of Grantee's then-existing right, title and interest in and to the Properties in exchange for One Dollar ($1.00).

ARTICLE 6
MISCELLANEOUS

Section 6.1 Further Assurances. Grantor and Grantee each agree to take such further actions and to execute, acknowledge and deliver all such further documents as are reasonably requested by the other for carrying out the purposes of this Deed.

Section 6.2 TSSA. This Deed is delivered pursuant to, and hereby made subject to, the terms and conditions of the TSSA. In the event that any provision of this Deed (other than any term defined herein) is construed to conflict with any provision of the TSSA, the provisions of the TSSA (other than with respect to terms defined herein) shall be deemed controlling to the extent of such conflict.

Section 6.3 Successors and Assigns. This Deed shall inure to the benefit of, and shall be binding upon, the Parties and their respective successors and assigns.

Section 6.4 Titles and Captions. All article or section titles or captions in this Deed are for convenience only, shall not be deemed part of this Deed and in no way define, limit, extend or describe the scope or intent of any provisions hereof. Except to the extent otherwise stated in this Deed, references to "Articles" and "Sections" are to Articles and Sections of this Deed, and references to "Exhibits" are to Exhibits attached to this Deed, which are made parts hereof for all purposes.

Section 6.5 Choice of Law. THE PROVISIONS OF THIS DEED SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS OVER ANY SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR RELATING TO THIS DEED.

Section 6.6 Joint and Several Liability. Each of LOI and LEH shall be collectively responsible for, and shall have joint and several liability under this Deed with respect to, the obligations of Grantor under this Deed.

Section 6.7 Counterparts. This Deed may be executed simultaneously in two or more counterparts (including by means of facsimile or email of a portable document format (pdf) of the signature pages), each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto have executed this Deed as of date set forth above:

GRANTOR:

LINN OPERATING, INC.

By: _____
Name: _____
Title: _____

LINN ENERGY HOLDINGS, LLC

By: _____
Name: _____
Title: _____

[Signature Page to Deed]

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto have executed this Deed as of date set forth above:

GRANTEE:

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

[Signature Page to Deed]

Exhibit A

[To come]

[Exhibit A]

Schedule 1

BERRY LEASEHOLD AND MINERAL INTERESTS

Due to size Schedule 1 – Leasehold and Mineral Interests is attached as a USB drive, which duplicates the Schedule 1 – Leasehold and Mineral Interests via email on February 21, 2017 to John G. Mauel at john.mauel@nortonrosefullbright.com by Kristen Christensen at kchristensen@linnenergy.com.

Schedule 2

BERRY WELLS

Due to size Schedule 2 – Berry Wells is attached as a USB drive, which duplicates the Schedule 2 – Berry Wells via email on February 23, 2017 to John G. Mauel at john.mauel@nortonrosefullbright.com by Kristen Christensen at kchristensen@linnenergy.com.

Schedule 3

BERRY FACILITIES

[SCHEDULE FOLLOWS]

Schedule 3

Berry Facilities

	Name	Address				Phone	Status	Descripion	GPS Digital
1	BAKERSFIELD	5201 Truxtun Ave.	Bakersfield	CA	93309	661-616-3900	LEASED	Main Office, 51,928 rsf, lease expires 10/31/2019	35.368395,-119.060231
2	POSO CREEK	4401 Gretlein Rd.	Bakersfield	CA	93308	661-393-1823	OWNED	Field Office	35.554223, -119.057989
3	N MIDWAY (Diatomite)	25072 Hwy 33	Fellows	CA	93224	661-768-4554	OWNED	Field Office, built Oct, 2012, 10,900sf	35.242892,-119.581188
4	21Z/McKITTRICK	2920 Reserve Rd	McKittrick	CA	93251	661-213-7523	OWNED	Field Office / Plant	35.306779,-119.611527
5	PLACERITA	25121 N. Sierra Hwy	Newhall	CA	91321	661-255-6066	OWNED	Field Office	34.388641,-118.490459
6	TAFT	28700 Hovey Hills Rd.	Taft	CA	93268	661-769-8820	OWNED	Field Office	35.100105,-119.443945
7	PARACHUTE	235 Callahan Ave.	Parachute	CO	81635	970-285-5203	OWNED	Field Office, built May 2010, 6,000sf on .926acrs	39.452609,-108.048704
8	PALESTINE	8048 S. US Hwy 79	Palestine	TX	75801	NA	OWNED	Field Office, Unoccupied	31.701094,-95.721813
9	ROOSEVELT	4000 South 4028 West	Roosevelt	UT	84066	435-722-1325	OWNED	Field Office, built 2005/06 7,200sf on 5 acrs, 4,200 sf addition in 2012	40.244245, -110067710

Schedule 4

HILL FIELD OFFICES

[SCHEDULE FOLLOWS]

Schedule 4

Hill Field Offices

(I) N/2 and SW/4 of Fractional Section 19 T28S R21E MDBM/085-210-21 and 085-210-24. I2I SE/4 and SENE Section 10 T27S R21E and S/2 Section 11 T27S 8’ J E, lyjng southwesterly of CA Aqueduct, 069-011-47 and 069-011-28

Schedule 5

BERRY CONTRACTS

Due to size Schedule 5 – Contracts is attached as a USB drive, which duplicates the Schedule 5 – Contracts via email on February 23, 2017 to John G. Mauel at john.mauel@nortonrosefullbright.com by Kristen Christensen at kchristensen@linnenergy.com and Holly Anderson at handerson@linnenergy.com

Schedule 6

AVAILABLE EMPLOYEE LIST

[SCHDULE FOLLOW]

Berry Employee List

Job Title	GA/LOC Name	Work Location Name
Operations Specialist	Field Service & Regulatory - Ca	Bakersfield
Engineering Analyst	Field Service & Regulatory - Ca	Bakersfield
Geology Tech,Sr.	South Midway Asset Team	Bakersfield
Engineer 2	South Midway Asset Team	Bakersfield
Foreman 1 Construction	Field Service & Regulatory - Ca	Bakersfield
Geology Tech	Diatomite Asset Team	Bakersfield
Software Developer 2	Information Technology - Hou	Bakersfield
Dist Prod Superintendent	Field Service & Regulatory - Ca	Bakersfield
Admin Assistant 1	Land - Houston Division	Bakersfield
SCM Manager	Supply Management - Okc	Bakersfield
Network Engineer 2	Information Technology - Hou	Bakersfield
Engineer 1	Diatomite Asset Team	Bakersfield
Asset Manager	Diatomite Asset Team	Bakersfield
EH&S Rep, Sr.	EH&S - Hou	Bakersfield
Asset Manager	Nsf Asset Team	Bakersfield
Business Intelligence (BI) Analyst 3, Sr.	Information Technology - Hou	Bakersfield
Desktop Sup Analyst 1	Information Technology - Hou	Bakersfield
Foreman 1 Completions	Field Service & Regulatory - Ca	Bakersfield
Geologist 3, Sr.	Nsf Asset Team	Bakersfield
Engineer, Advisor	Diatomite Asset Team	Bakersfield
Accting Tech/Clerk 2	Operations Accounting	Bakersfield
Accountant 4, Sr. Staff - Operations	Operations Accounting	Bakersfield
Engineer 1	Diatomite Asset Team	Bakersfield
EH&S Rep, Sr.	EH&S - Hou	Bakersfield
Desktop Sup Analyst 1	Information Technology - Hou	Bakersfield
Engineering Tech	Field Service & Regulatory - Ca	Bakersfield
Engineering Analyst	South Midway Asset Team	Bakersfield
Team Lead Engineering	Nsf Asset Team	Bakersfield
Operations Tech 1	Field Service & Regulatory - Ca	Bakersfield
Database Administrator, Sr	Information Technology - Hou	Bakersfield
Foreman 1 Measurement	Production Services - Hou Div	Bakersfield
Engineering Analyst	Nsf Asset Team	Bakersfield
Landman 3, Sr.	Land - Houston Division	Bakersfield
Geologist 3, Sr.	South Midway Asset Team	Bakersfield
Engineering Tech	Nsf Asset Team	Bakersfield
Engineer 3, Sr.	Diatomite Asset Team	Bakersfield
Dist Prod Superintendent	Field Service & Regulatory - Ca	Bakersfield
Foreman 2 Production	Field Service & Regulatory - Ca	Bakersfield
Engineer 3, Sr.	Nsf Asset Team	Bakersfield
Accountant 3, Sr.- Production	Production Accounting - Hou	Bakersfield
Engineering Analyst, Advisor	Diatomite Asset Team	Bakersfield
Buyer/Purchasing Rep 3	Supply Management - Okc	Bakersfield

Engineer 1	Nsf Asset Team	Bakersfield
Asset Manager	Operations Management - Ca	Bakersfield
IT Manager, Sr.	Information Technology - Hou	Bakersfield
EH&S Manager	EH&S - Hou	Bakersfield
Admin Assistant 1	Operations Management - Ca	Bakersfield
Inventory Analyst 1	Supply Management - Berry	Bakersfield
Foreman 2 Production	Field Service & Regulatory - Ca	Bakersfield
Buyer/Purchasing Rep 2	Supply Management - Berry	Bakersfield
Dist Prod Superintendent	South Midway Asset Team	Bakersfield
Engineer 2	South Midway Asset Team	Bakersfield
Engineer 1	South Midway Asset Team	Bakersfield
Field Admin 2	Field Service & Regulatory - Ca	Bakersfield
Team Lead Engineering	Nsf Asset Team	Bakersfield
Engineer 2	Nsf Asset Team	Bakersfield
Geologist 1	Diatomite Asset Team	Bakersfield
Engineering Tech	Nsf Asset Team	Bakersfield
Asset Manager	South Midway Asset Team	Bakersfield
Engineer 3, Sr.	South Midway Asset Team	Bakersfield
Engineer 1	Diatomite Asset Team	Bakersfield
EH&S Representative	EH&S - Hou	Bakersfield
Foreman 1 Production	Loe - Mn	N Midway
Field Operator 1	Loe - Mn	N Midway
Field Operator 1	Loe - Mn	N Midway
Operations Tech 2	Loe - Diatomite	N Midway
Operations Tech 1	Loe - Diatomite	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Foreman 1 Production	Loe - Diatomite	N Midway
Field Operator 1	Loe - Mn	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Operations Tech 4	Loe - Diatomite	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Field Operator 2	Loe - Mn	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Field Operator 1	Loe - Mn	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Field Operator 1	Loe - Mn	N Midway
Engineering Analyst	Field Service & Regulatory - Ca	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Engineer 3, Sr.	Loe - Diatomite	N Midway
Dist Prod Superintendent	Diatomite Asset Team	N Midway
Operations Tech 2	Loe - Diatomite	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Operations Tech 1	Field Service & Regulatory - Ca	N Midway
Operations Tech 3	Loe - Diatomite	N Midway

Foreman 1 Production	Loe - Diatomite	N Midway
Field Operator 3	Loe - Mn	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Field Operator 1	Loe - Diatomite	N Midway
Field Operator 1	Loe - Placerita Ca	Placerita
Field Admin 3	Loe - Placerita Ca	Placerita
Field Operator 3	Loe - Placerita Ca	Placerita
Field Operator 4-Lead	Loe - Placerita Ca	Placerita
Operations Tech 4	Loe - Placerita Ca	Placerita
Field Operator 4-Lead	Loe - Placerita Ca	Placerita
Foreman 1 Production	Loe - Placerita Ca	Placerita
Field Operator 3	Loe - Placerita Ca	Placerita
Field Operator 3	Loe - Placerita Ca	Placerita
Field Operator 3	Loe - Placerita Ca	Placerita
Field Operator 2	Loe - Placerita Ca	Placerita
Field Meas/Pipe Tech 1	Field Service & Regulatory - Ca	Taft
Field Admin 1	Field Office Admin - Ms	Taft
Operations Tech 3	Loe - Homebase	Taft
Engineering Tech, Sr.	Field Service & Regulatory - Ca	Taft
Field Operator 1	Loe - Homebase	Taft
Field Operator 3	Loe - Homebase	Taft
Field Operator 4-Lead	Loe - Ethel D	Taft
Field Operator 3	Loe Formax	Taft
Field Operator 1	Loe - Ethel D	Taft
Field Admin 2	Field Office Admin - Ms	Taft
Field Operator 3	Loe - Ethel D	Taft
Field Operator 1	Loe - Homebase	Taft
Field Operator 2	Loe - Homebase	Taft
Foreman 1 Production	Loe Formax	Taft
Field Operator 1	Loe - Homebase	Taft
Field Operator 2	Loe - Homebase	Taft
Foreman 2 Production	Loe - Homebase	Taft
Mechanic 2	Loe - Homebase	Taft
Operations Tech 1	Loe - Ethel D	Taft
Field Operator 1	Loe Formax	Taft
Field Operator 3	Loe - Homebase	Taft
Field Operator 2	Loe - Homebase	Taft
Field Operator 2	Loe Formax	Taft
Field Operator 3	Loe - Homebase	Taft
Field Operator 3	Loe - Homebase	Taft
Field Operator 1	Loe - Ethel D	Taft
Field Meas/Pipe Tech 3	Field Service & Regulatory - Ca	Taft
Field Operator 4-Lead	Loe - Ethel D	Taft
Field Operator 3	Loe Formax	Taft
Field Operator 3	Loe - Poso Creek	Poso Creek
Field Operator 1	Loe - Poso Creek	Poso Creek
Operations Tech 4	Loe - Poso Creek	Poso Creek

Field Operator 1	Loe - Poso Creek	Poso Creek
Field Operator 3	Loe - Poso Creek	Poso Creek
Field Operator 2	Loe - Poso Creek	Poso Creek
Field Operator 1	Loe - Poso Creek	Poso Creek
Field Admin 2	Loe - Poso Creek	Poso Creek
Field Operator 1	Loe - Poso Creek	Poso Creek
Field Operator 1	Loe - Poso Creek	Poso Creek
Field Operator 1	Loe - Poso Creek	Poso Creek
Foreman 1 Production	Loe - Poso Creek	Poso Creek
Foreman 2 Production	Loe - Poso Creek	Poso Creek
Engineering Tech	Nsf Asset Team	McKittrick
Senior Production Engineer		Brea
Field Operator 2		McKittrick
Foreman 2 Production	LOE - Hill Belridge	McKittrick
Foreman 1 Production	LOE - Hill Belridge	McKittrick
Engineer 2	Nsf Asset Team	Bakersfield
Oeprations Tech 3	Field Service & Regulatory - Ca	McKittrick
Field Operator 2	LOE - Hill Belridge	McKittrick
Field Operator 1	LOE - Hill Belridge	McKittrick
Field Operator 2	LOE - Hill Belridge	McKittrick
Field Operator 2	LOE - Hill Belridge	McKittrick
Field Admin 2	LOE - Hill Belridge	McKittrick
Field Operator 1	LOE - Hill Belridge	McKittrick
Engineer 1	South Midway Asset Team	Bakersfield
Operations Tech 3	Field Service & Regulatory - Ca	N Midway
Field Operator 2	LOE - Hill Belridge	McKittrick
Field Operator 2*	Loe - Placerita Ca	Placerita

* Scheduled to begin employment with Linn Operating, Inc. on May 6, 2017

Employee Status	Job Title	Work Location
Active	Dist Prod Superintendent	Roosevelt
Active	Foreman 2 Production	Roosevelt
Active	Foreman 2 Production	Roosevelt
Active	Admin Supervisor	Roosevelt
Active	Foreman 2 Production	Roosevelt
Active	Foreman 1 Construction	Roosevelt
Active	Operations Tech 1	Roosevelt
Active	Field Meas/Pipe Tech 3	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 2	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Regulatory Specialist 1	Roosevelt
Active	Mechanic 1	Roosevelt
Active	Foreman 2 Completions	Roosevelt
Active	N0093-Field Admin 2	Roosevelt
Active	Field Operator 2	Roosevelt
Active	Foreman 1 Production	Roosevelt
Active	Surface Land Rep 2	Roosevelt
Active	Field Meas/Pipe Tech 1	Roosevelt
Active	Field Operator 2	Roosevelt
Active	Field Meas/Pipe Tech 2	Roosevelt
Active	Operations Tech 2	Roosevelt
Active	Operations Tech 2	Roosevelt
Active	Foreman 1 Construction	Roosevelt
Active	Field Operator 3	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Operations Tech 3	Roosevelt
Active	Mechanic 1	Roosevelt
Active	Mechanic 1	Roosevelt
Active	Mechanic 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 3	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Meas/Pipe Tech 2	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Operations Tech 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 3	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Operations Tech 1	Roosevelt
Active	Operations Tech 3	Roosevelt
Active	Field Operator 1	Roosevelt

Active	EH&S Representative	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Mechanic 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 3	Neola
Active	Field Admin 1	Roosevelt
Active	Field Admin 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt
Active	Field Operator 1	Roosevelt

Employee Status	Job Title	Work Location
Active	Operations Tech 3	Parachute
Active	Dist Prod Superintendent	Parachute
Active	Foreman 1 Production	Parachute
Active	Field Operator 1	Parachute
Active	Admin Supervisor	Parachute
Active	Field Operator 2	Parachute
Active	Foreman 1 Construction	Parachute
Active	Field Operator 1	Parachute
Active	Field Operator 1	Parachute
Active	Field Operator 1	Parachute

Berry/ Linn Employee List

Employee Status	Job Title	Work Location
	Field Operator 3	Troup
	EH&S Rep., Senior	Brea
	Dist Production Superintendent	Brea
	Geologist 4, Sr. Staff	Houston
	Marketing Commercial Manager	Denver
	Technical Supervisor	Houston

Schedule 7

LINN'S SEVERANCE PLAN

[SCHEDULE FOLLOWS]

EXECUTION VERSION

LINN ENERGY, LLC

SEVERANCE PLAN

February 2, 2016

ARTICLE I
INTRODUCTION AND ESTABLISHMENT OF PLAN

The Committee hereby adopts the Linn Energy, LLC Severance Plan (the "*Plan*"), as of the Effective Date, for eligible employees of the Company and its Subsidiaries. The Plan is intended to offer specified severance benefits to eligible employees in the event of certain involuntary terminations of employment from the Company. The Plan, as a "severance pay arrangement" within the meaning of Section 3(2)(B)(i) of the Employee Retirement Income Security Act of 1974, as amended *("ERISA")* is intended to be and shall be administered and maintained as an unfunded welfare benefit plan under Section 3(1) of ERISA.

The Company expressly reserves the right at any time, and from time to time, for any reason in the Company's sole discretion, to change, modify, alter or amend the Plan in any respect and to terminate the Plan in full. All provisions of the Plan relating to other employee benefit plans of the Company, or any of the Company's Affiliates or Subsidiaries, are expressly limited by the provisions of such other employee benefit plans. The provisions of the Plan may not grant or create any rights other than as expressly provided for under such other employee benefit plans.

ARTICLE II
DEFINITIONS

As used herein, the following words and phrases shall have the following respective meanings unless the context clearly indicates otherwise.

2.1 Affiliate. Any entity which controls, is controlled by, or is under common control with, the Company.

2.2 Base Salary. The Participant's annual rate of base salary payable by the Company (exclusive, among other things, of bonuses and special allowances) as in effect immediately prior to the date of such Participant's Qualifying Termination.

2.3 Board. The Board of Directors of the Company.

2.4 Business Opportunities. All business ideas, prospects, proposals or other opportunities pertaining to the lease, acquisition, exploration, production, gathering or marketing of hydrocarbons and related products and the exploration potential of geographical areas on which hydrocarbon exploration prospects are located, which are developed by the Participant during his or her employment with the employer, or originated by any third party and brought to the attention of the Participant during his or her employment with the employer, together with information relating thereto (including, without limitation, geological and seismic data and interpretations thereof, whether in the form of maps, charts, logs, seismographs, calculations, summaries, memoranda, opinions or other written or charted means).

2.5 Cause. For purposes of the Plan, the Company or an Employer will have "*Cause*" to terminate the Participant's employment by reason of any of the following; provided, however, that determination of whether one or more of the elements of "Cause" has been met under the Plan shall be in the reasonable discretion of the Board with respect to Participants in Tiers 1 and 2 and the Plan Administrator for all other Participants.

(a) the Participant's conviction of, or plea of *nolo contendere* to, any felony or to any crime or offense causing substantial harm to any of the Company or its direct or indirect Subsidiaries (whether or not for personal gain) or involving acts of theft, fraud, embezzlement, moral turpitude or similar conduct;

(b) the Participant's repeated intoxication by alcohol or drugs during the performance of his or her duties;

(c) the Participant's willful and intentional misuse of any of the funds of the Company or its direct or indirect Subsidiaries;

(d) embezzlement by the Participant;

(e) the Participant's willful and material misrepresentations or concealments on any written reports submitted to any of the Company or its direct or indirect Subsidiaries; or

(f) conduct constituting a material breach by the Participant of the Company's then current Code of Business Conduct and Ethics, and any other written policy referenced therein; provided that, in each case, the Participant knew or should have known such conduct to be a breach.

2.6 Change of Control Plan. The Linn Energy, LLC Change of Control Protection Plan, effective April 25, 2009, as amended.

2.7 COBRA. The term "COBRA" has the meaning set forth in Section 4.2(c).

2.8 Code. The Internal Revenue Code of 1986, as amended from time to time.

2.9 Committee. The Compensation Committee of the Board.

2.10 Company. Linn Energy, LLC.

2.11 Effective Date. The date first written above.

2.12 Employee. Any employee of an Employer, regardless of position, who is normally scheduled to work 30 or more hours per week for such Employer.

2.13 Employee Bonus Plan. The term "Employee Bonus Plan" has the meaning set forth in Section 4.2(b).

2.14 Employer. The Company and any Subsidiary that participates in the Plan pursuant to Article VI.

2.15 ERISA. The term "ERISA" has the meaning set forth in the Introduction.

2.16 Good Reason. The term "Good Reason" shall have the meaning assigned to such term in any employment agreement between the Participant and the Employer, or in the absence of an employment agreement or such term being defined in an employment agreement, "Good Reason" shall mean any of the following to which the Participant will not consent in writing:

(a) a reduction in the Participant's base salary;

(b) any material reduction in the Participant's title, authority or responsibilities; or

(c) relocation of the Participant's primary place of employment to a location more than 50 miles from the Employer's location.

If termination is by the Participant with Good Reason, the Participant will give the Participant's Employer written notice, which will identify with reasonable specificity the grounds for the Participant's resignation and provide the Participant's Employer with 30 days from the day such notice is given to cure the alleged grounds for resignation contained in the notice. A termination will not be for Good Reason if the Participant's Employer has cured the alleged grounds for resignation contained in the notice within 30 days after receipt of such notice or if such notice is given by the Participant to the Participant's Employer more than 30 days after the occurrence of the event that the Participant alleges is Good Reason for his or her termination hereunder. In order for a termination to be for "Good Reason", the Company must fail to remedy the alleged grounds for resignation within the cure period, and the Participant must actually terminate employment with the Company and its Affiliates within 90 days after the expiration of the cure period.

2.17 Participant. An Employee who is designated as a participant pursuant to Section 3.1.

2.18 Person. Any individual, entity or group within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended.

2.19 Plan. The Linn Energy, LLC Severance Plan.

2.20 Plan Administrator. The named fiduciary of the Plan as described in Section 9.1.

2.21 Qualifying Termination. Any termination of employment of a Participant initiated by the Employer other than for Cause; provided that, a termination initiated by a Participant for Good Reason shall also constitute a Qualifying Termination for Participants in Tier 1 and Tier 2.

2.22 Release. The term "Release" has the meaning set forth in Section 4.1(c)

2.23 Severance Benefits. The benefits described in Article IV that are provided to qualifying Participants under the Plan.

2.24 Subsidiary. Any entity of which the Company owns, directly or indirectly, all of such entity's outstanding units, shares of capital stock or other voting securities.

2.25 Tiers. The terms "*Tier 1*", "*Tier 2*", "Tier 3", "*Tier 4*" "*Tier 5*" and "*Tier 6*" have the meaning set forth in Section 3.2.

ARTICLE III
ELIGIBILITY

3.1 Participants. An Employee of the Employer shall become a Participant in the Plan as of the later to occur of (i) the Effective Date or (ii) the date he or she first becomes an Employee of an Employer in a position covered by Tier 1, Tier 2, Tier 3, Tier 4, Tier 5 or Tier 6.

Notwithstanding any provision of the Plan to the contrary, no individual who is designated, compensated, or otherwise classified or treated by the Employer as a leased employee, consultant, independent contractor or other non-common law employee shall be eligible to receive benefits under the Plan. In the event of a Change of Control (as defined in the Change of Control Plan), severance benefits for eligible participants in the Change of Control Plan shall be provided under the terms of the Change of Control Plan and not the Plan; it is the intent of the Employer that Employees not be eligible for duplicate severance benefits under multiple plans.

3.2 Tiers. Employees eligible to participate in the Plan shall be assigned to Tier 1, Tier 2, Tier 3, Tier 4, Tier 5 or Tier 6 as set forth below; provided, however, that the Committee, with respect to Tiers 1 and 2 and the Plan Administrator with respect to all other Tiers may designate, by written notice to such Participant, that a Participant shall be assigned to a different Tier, in which case such designation by the Committee shall be controlling.

(a) "Tier 1" means the Employee(s) of the Employer with the title of Senior Vice President.

(b) "Tier 2" means the Employee(s) of the Employer with the title of Vice President.

(c) "Tier 3" means the Employee(s) of the Employer with the title of Director or a Director level equivalent title.

(d) "Tier 4" means the Employee(s) of the Employer with the title of Manager or a Manager level equivalent title.

(e) "Tier 5" means the Employee(s) of the Employer with the title(s) of Supervisor or Key Technical.

(f) "Tier 6" means any Employee of the Employer that is not assigned to Tier 1, Tier 2, Tier 3, Tier 4 or Tier 5.

ARTICLE IV
SEVERANCE BENEFITS

4.1 Eligibility for Severance Pay. A Participant becomes eligible to receive Severance Benefits under the Plan upon a Qualifying Termination, provided that the Participant:

(a) performs in all material respects all transition and other matters required of the Participant by the Employer prior to his or her Qualifying Termination;

(b) complies in all material respects with the restrictive covenants in Article V hereof and returns to the Employer any property of the Employer which has come into the Participant's possession; and

(c) returns (and does not thereafter revoke), within fifty days after the date of the Participant's Qualifying Termination, a signed, dated and notarized original agreement and general release of claims in a form acceptable to the Employer, in its sole and absolute discretion (the "*Release*").

4.2 Amount of Severance Benefits. A Participant entitled to Severance Benefits under Section 4.1 shall be entitled to the following Severance Benefits as set forth in this Section 4.2.

(a) Annual Base Salary.

(i) Tier 1. A Participant in Tier 1 on the date of his or her Qualifying Termination shall be entitled to a payment equal to one and one-half times his or her Base Salary.

(ii) Tier 2. A Participant in Tier 2 on the date of his or her Qualifying Termination shall be entitled to a payment equal to one times his or her Base Salary.

(iii) Tier 3. A Participant in Tier 3 on the date of his or her Qualifying Termination shall be entitled to a payment equal to nine months of his or her Base Salary.

(iv) Tier 4. A Participant in Tier 4 on the date of his or her Qualifying Termination shall be entitled to a payment equal to six months of his or her Base Salary.

(v) Tier 5. A Participant in Tier 5 on the date of his or her Qualifying Termination shall be entitled to a payment equal to four and one-half months of his or her Base Salary.

(vi) Tier 6. A Participant in Tier 6 on the date of his or her Qualifying Termination shall be entitled to a payment equal to three months of his or her Base Salary.

(b) Incentive Benefits. Each Participant who, as of his or her Qualifying Termination, participates in any cash incentive compensation or other cash bonus plan or arrangement as may be established by the Board from time to time (collectively, the "*Employee Bonus Plan*") shall be entitled to receive the amount as determined under the Employee Bonus Plan for a termination of employment.

(c) COBRA Coverage. If the Participant timely and properly elects continuation health care coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 *("COBRA")* under the Employer's health care plan, the Employer will pay the "Company's portion" (as defined below) of the Participant's COBRA continuation coverage of medical benefits (the "*COBRA Coverage*") for the period set forth in the table below following the date of the

Participants Qualifying Termination. The "Company's portion" of COBRA Coverage shall be the difference between one hundred percent of the cost of the COBRA Coverage and the dollar amount of medical premium expenses paid for the same type or types of Employer medical benefits by a similarly situated Employee on the date of the Participant's Qualifying Termination.

Tier	Period of Continued COBRA Coverage
1	18 Months
2	12 Months
3	9 Months
4	6 Months
5	5 Months
6	3 Months

(d) Outplacement Assistance. The Company shall pay fees on behalf of the Participant to a third-party outplacement services agency to provide outplacement services for up to the period of time set forth in the following table, which services shall be completed no later than nine months following the date of the Participant's Qualifying Termination.

Tier	Period of Outplacement Services
1	6 Months
2	6 Months
3	3 Months
4	3 Months
5	3 Months
6	3 Months

(e) Time and Form of Payment. The Severance Benefits payable pursuant to Section 4.2(a) and Section 4.2(b) shall be paid in a single lump sum payment on the date that is sixty days after the date of the Participant's Qualifying Termination, but no later than two and one half months following the last day of the calendar year that includes the date of the Participant's Qualifying Termination. The Severance Benefits payable pursuant to Section 4.2(c) and Section 4.2(d) shall be paid directly to the service provider or shall be reimbursed to the Participant promptly, but in any event by no later than December 31st of the calendar year following the calendar year in which such expenses were incurred, shall not affect any payments or reimbursements in any other calendar year, and shall not be subject to liquidation or exchange for

any other benefit. The taxable year in which any Severance Benefit under Section 4.2(c) or Section 4.2(d) is paid shall be determined in the sole discretion of the Employer, and the Participant shall not be permitted, directly or indirectly, to designate the taxable year of payment. Notwithstanding the foregoing, if the Participant has not timely returned the Release, or subsequently revokes the Release, the Participant shall forfeit all Severance Benefits.

(f) Withholding. The Company may withhold and deduct from any benefits and payments made or to be made pursuant to the Plan all federal, state, local and other taxes as may be required pursuant to any law or governmental regulation or ruling.

ARTICLE V
RESTRICTIVE COVENANTS

5.1 Non-Compete Obligations. During employment with the Employer and for a period of (i) nine (9) months after the Participant's termination of employment for a Tier 1 Participant and (ii) six (6) months after the Participant's termination of employment for a Tier 2 Participant:

(a) the Participant will not, other than through the Company, engage or participate in any manner, whether directly or indirectly through any family member or as an employee, employer, consultant, agent, principal, partner, more than one percent (1%) shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is engaged in leasing, acquiring, exploring, producing, gathering or marketing hydrocarbons and related products; provided that the foregoing shall not be deemed to restrain the participation by the Participant's spouse in any capacity set forth above in any business or activity engaged in any such activity and provided further that the Company may, in good faith, take such reasonable action with respect to the Participant's performance of his or her duties, responsibilities and authorities as it deems necessary and appropriate to protect its legitimate business interests with respect to any actual or apparent conflict of interest reasonably arising from or out of the participation by the Participant's spouse in any such competitive business or activity; and

(b) all investments made by the Participant (whether in his or her own name or in the name of any family members or other nominees or made by the Participant's controlled affiliates), which relate to the leasing, acquisition, exploration, production, gathering or marketing of hydrocarbons and related products will be made solely through the Company; and the Participant will not (directly or indirectly through any family members or other persons), and will not permit any of his or her controlled affiliates to: (A) invest or otherwise participate alongside the Company or its direct or indirect subsidiaries in any Business Opportunities, or (B) invest or otherwise participate in any business or activity relating to a Business Opportunity, regardless of whether any of the Company or its direct or indirect subsidiaries ultimately participates in such business or activity, in either case, except through the Company. Notwithstanding the foregoing, nothing in this Section 5.1(b) shall be deemed to prohibit the Participant or any family member from owning, or otherwise having an interest in, less than one percent (1%) of any publicly owned entity or three percent (3%) or less of any private equity fund or similar investment fund that invests in any business or activity engaged in any of the activities set forth above, provided that the Participant has no active role with respect to any investment by such fund in any entity.

5.2 Non-Solicitation. With respect to any Participant in Tier 1 or Tier 2, during such Participant's employment with the Employer and for a period of one (1) year after the Participant's termination of employment, the Participant will not, whether for his or her own account or for the account of any other Person (other than the Company or its direct or indirect Subsidiaries), intentionally solicit, endeavor to entice away from the Company or its direct or indirect Subsidiaries, or otherwise interfere with the relationship of the Company or its direct or indirect Subsidiaries with, (a) any person who is employed by the Company or its direct or indirect Subsidiaries (including any independent sales representatives or organizations), or (b) any client or customer of the Company or its direct or indirect Subsidiaries.

ARTICLE VI
EMPLOYERS

Any Subsidiary of the Company shall be, and any new Subsidiary of the Company shall be an Employer under the Plan unless the Company makes an affirmative determination that such Subsidiary shall not be an Employer under the Plan. Pursuant to Section 3.1, the provisions of the Plan shall be fully applicable to the Employees of any such Subsidiary that becomes an Employer.

ARTICLE VII
SUCCESSOR TO COMPANY

The Plan shall bind any successor of the Company, its assets or its businesses (whether direct or indirect, by purchase, merger, consolidation or otherwise), in the same manner and to the same extent that the Company would be obligated under the Plan if no succession had taken place.

In the case of any transaction in which a successor would not by the foregoing provision or by operation of law be bound by the Plan, the Company shall require such successor expressly and unconditionally to assume and agree to perform the Company's obligations under the Plan, in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. The term "Company," as used in the Plan, shall mean the Company as hereinbefore defined and any successor or assignee to the business or assets which by reason hereof becomes bound by the Plan.

ARTICLE VIII
AMENDMENT AND TERMINATION

8.1 Amendment or Termination. While the Company expects and intends to continue the Plan, the Board or the Committee may amend the Plan at any time, and from time to time, for any reason in the Company's sole discretion, to change, modify, alter or amend the Plan in any respect and to terminate the Plan in full.

8.2 Procedure for Extension, Amendment or Termination. Any extension, amendment or termination of the Plan by the Board in accordance with the foregoing shall be made by action of the Board in accordance with the Company's Certificate of Formation and the Second Amended and Restated Limited Liability Company Agreement, as amended, in effect at the time, and applicable law.

ARTICLE IX
PLAN ADMINISTRATION

9.1 Named Fiduciary; Administration. A committee composed of the Company's Chief Financial Officer, Chief Operating Officer and Senior Vice President with oversight of Human Resources is the named fiduciary of the Plan and shall be the Plan Administrator. The Plan Administrator shall review and determine all claims for benefits under the Plan.

9.2 Claim Procedure.

(a) If an Employee or former Employee or his or her authorized representative (referred to in this Article IX as a "claimant") makes a written request alleging a right to receive benefits under the Plan or alleging a right to receive an adjustment in benefits being paid under the Plan, the Company shall treat it as a claim for benefits.

(b) All claims and inquiries concerning benefits under the Plan must be submitted to the Plan Administrator in writing and be addressed as follows:

Plan Administrator

Linn Energy, LLC Severance Plan
Linn Energy, LLC
JP Morgan Chase Tower
600 Travis, Suite 5100
Houston, Texas 77002

The Plan Administrator shall have full and complete discretionary authority to administer, to construe, and to interpret the Plan, to decide all questions of eligibility, to determine the amount, manner and time of payment, and to make all other determinations deemed necessary or advisable for the Plan. The Plan Administrator shall initially deny or approve all claims for benefits under the Plan. The claimant may submit written comments, documents, records or any other information relating to the claim. Furthermore, the claimant shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim for benefits.

(c) Claims Denial. If any claim for benefits is denied in whole or in part, the Plan Administrator shall notify the claimant in writing of such denial and shall advise the claimant of his or her right to a review thereof. Such written notice shall set forth, in a manner calculated to be understood by the claimant, specific reasons for such denial, specific references to the Plan provisions on which such denial is based, a description of any information or material necessary for the claimant to perfect his or her claim, an explanation of why such material is necessary and an explanation of the Plan's review procedure, and the time limits applicable to such procedures. Furthermore, the notification shall include a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review. Such written notice shall be given to the claimant within a reasonable period of time, which normally shall not exceed 90 days, after the claim is received by the Plan Administrator.

(d) Appeals. Any claimant whose claim for benefits is denied in whole or in part may appeal, or his or her duly authorized representative may appeal on the claimant's behalf, such denial by submitting to the Appeals Committee a request for a review of the claim within 60 days after receiving written notice of such denial from the Plan Administrator. The Appeals Committee shall comprise at least three individuals who serve as officers or managers of the Company. The Appeals Committee shall give the claimant upon request, and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim of the claimant, in preparing his or her request for review. The request for review must be in writing and be addressed as follows:

Appeals Committee

Linn Energy, LLC Severance Plan
Linn Energy, LLC
JP Morgan Chase Tower
600 Travis, Suite 5100
Houston, Texas 77002

The request for review shall set forth all of the grounds upon which it is based, all facts in support thereof, and any other matters which the claimant deems pertinent. The Appeals Committee may require the claimant to submit such additional facts, documents, or other materials as the Appeals Committee may deem necessary or appropriate in making its review.

(e) Review of Appeals. The Appeals Committee shall act upon each request for review within 60 days after receipt thereof. The review on appeal shall consider all comments, documents, records and other information submitted by the claimant relating to the claim without regard to whether this information was submitted or considered in the initial benefit determination. The Appeals Committee shall have full and complete discretionary authority, in its review of any claims denied by the Plan Administrator, to administer, to construe, and to interpret the Plan, to decide all questions of eligibility, to determine the amount, manner and time of payment, and to make all other determinations deemed necessary or advisable for the Plan.

(f) Decision on Appeals. The Appeals Committee shall give written notice of its decision to the claimant. If the Appeals Committee confirms the denial of the application for benefits in whole or in part, such notice shall set forth, in a manner calculated to be understood by the claimant, the specific reasons for such denial, and specific references to the Plan provisions on which the decision is based. The notice shall also contain a statement that the claimant is entitled to receive upon request, and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claimant's claim for benefits. Information is relevant to a claim if it was relied upon in making the benefit determination or was submitted, considered or generated in the course of making the benefit determination, whether it was relied upon or not. The notice shall also contain a statement of the claimant's right to bring an action under ERISA Section 502 (a). If the Appeals Committee has not rendered a decision on a request for review within 60 days after receipt of the request for review, the claimant's claim shall be deemed to have been approved. The Appeals Committee's decision shall be final and not subject to further review within the Company. There are no voluntary appeals procedures after review by the Appeals Committee.

(g) Time of Approved Payment. In the event that either the Plan Administrator or the Appeals Committee determines that the claimant is entitled to the payment of all or any portion of the benefits claimed, such payment shall be made to the claimant within 30 days of the date of such determination or such later time as may be required to comply with Section 409A of the Code.

(h) Determination of Time Periods. If the day on which any of the foregoing time periods is to end is a Saturday, Sunday or holiday recognized by the Company, the period shall extend until the next following business day.

9.3 Exhaustion of Administrative Remedies. Completion of the claims and appeals procedures described in Sections 9.2 of the Plan will be a condition precedent to the commencement of any legal or equitable action in connection with a claim for benefits under the Plan by a claimant; provided, however, that the Appeals Committee may, in its sole discretion, waive compliance with such claims procedures as a condition precedent to any such action.

ARTICLE X
MISCELLANEOUS

10.1 Employment Status. The Plan does not constitute a contract of employment or impose on the Participant or the Participant's Employer any obligation for the Participant to remain an Employee or change the status of the Participant's employment or the policies of such Employer regarding termination of employment.

10.2 Unfunded Plan Status. All payments pursuant to the Plan shall be made from the general funds of the Company and no special or separate fund shall be established or other segregation of assets made to assure payment. No Participant or other person shall have under any circumstances any interest in any particular property or assets of the Company as a result of participating in the Plan. Notwithstanding the foregoing, the Company may (but shall not be obligated to) create one or more grantor trusts, the assets of which are subject to the claims of the Company's creditors, to assist it in accumulating funds to pay its obligations under the Plan.

10.3 Validity and Severability. The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision of the Plan, which shall remain in full force and effect, and any prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.4 Anti-Alienation of Benefits. No amount to be paid hereunder shall be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Employee or the Employee's beneficiary.

10.5 Governing Law. The validity, interpretation, construction and performance of the Plan shall in all respects be governed by the laws of Texas, without reference to principles of conflicts of law, except to the extent pre-empted by Federal law.

IN WITNESS WHEREOF, this Linn Energy, LLC Severance Plan has been adopted the Committee to be effective as of the Effective Date.

LINN ENERGY, LLC

By: /s/ Mark E. Ellis
Mark E. Ellis
Chairman of the Board of Directors,
President and Chief Executive Officer

FIRST AMENDMENT TO
LINN ENERGY, LLC SEVERANCE PLAN

The Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Linn Energy, LLC, a Delaware limited liability company (the "Company"), previously adopted the Linn Energy, LLC Severance Plan (the "Plan"). The Company hereby amends the Plan effective on the date the Committee approves the amendment (the "Amendment Effective Date").

RECITALS

WHEREAS, the Company established, and the Committee adopted, the Plan, under which the Company offers specified severance benefits to eligible employees of the Company and the Subsidiaries, in the event of certain involuntary terminations of employment;

WHEREAS, Section 8.1 of the Plan provides that the Committee or the Board may amend the Plan at any time, and from time to time, for any reason in the Company's sole discretion;

WHEREAS, the Company now desires to amend the Plan to provide that a Participant shall not be entitled to any benefits under the Plan if (i) the Participant is terminated as a result of the sale or other disposition of a plant, facility, division, operating assets or Subsidiary or any similar transaction, and (ii) in connection with such transaction, the Participant is offered continued employment with the purchaser or any of its affiliates in a comparable position to the one held by the Participant immediately prior to his or her date of termination, as determined in the Company's sole discretion; and

WHEREAS, capitalized terms used but not defined herein shall have the same meaning as set forth in the Plan.

AMENDMENTS

1. Section 2.21 of the Plan is hereby amended to add the following text:

"A Qualifying Termination will not have occurred for purposes of this Plan, if (i) the Participant is terminated as a result of the sale or other disposition of a plant, facility, division, operating assets or Subsidiary or any similar transaction, and (ii) in connection with such transaction, the Participant is offered continued employment with the purchaser or any of its affiliates with the same base salary as was in effect as of immediately before such transaction and at a location within fifty (50) miles of the primary location at which the Participant worked immediately before such transaction, in each case, as determined in the Company's sole discretion."

2. Except as set specifically amended above, the Plan will remain in full force and effect.

IN WITNESS WHEREOF, the Company has cause the execution of this Amendment by its duly authorized officer, effective as of the Amendment Effective Date.

LINN ENERGY, LLC

By: /s/ Candice J. Wells
Name: Candice J. Wells
Title: Senior Vice President, General Counsel and Corporate Secretary

Effective Date: July 22, 2016

Schedule 8

TRANSFERRED HARDWARE

[SCHEDULE FOLLOWS]

Schedule 8
Transferred Hardware

PC	Status	Manufacturer	Model	Memory	Processor	Age/Year	Value	City	State	physicalDeliveryOfficeName
BAK-ALD1	Active	Dell Inc.	OptiPlex 990	4096	3401	3	$175	Bakersfield	CA	Bakersfield, CA
BAK-DJOHNSON7	Active	Dell Inc.	OptiPlex 990	4096	3401	3	$175	Bakersfield	CA	Bakersfield, CA
BERDT-J2R7N22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	McKittrick	CA	21Z/McKittrick, CA
BERDT-J2RFN22	Inactive	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	McKittrick	CA	0
BERDT-J2RRN22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	McKittrick	CA	0
BERDT-J2RSN22	Inactive	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Bakersfield	CA	0
BERDT-J2RTN22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	McKittrick	CA	0
BERDT-J2RVN22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	McKittrick	CA	0
BERDT-J2RWN22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	McKittrick	CA	0
BERDT-J2RYN22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	McKittrick	CA	Bakersfield, CA
BERLT-13M8K12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	McKittrick	CA	0
BERLT-19BTTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	0
BERLT-1MBTTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
BERLT-2PK8K12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	McKittrick	CA	0
BERLT-2TFBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-2VSBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-333PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	McKittrick	CA	Taft
BERLT-3CZBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-3YTBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-46SSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	Bakersfield, CA
BERLT-5F0TTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
BERLT-5MDBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-5N2PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-6GCTTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
BERLT-7MDBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-7PK8K12	Inactive	Dell Inc.	Latitude E7440	4096	2401	2	$400	McKittrick	CA	NMWSS
BERLT-7W0PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Parachute	CO	Parachute, CO
BERLT-88NBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-88VBJX1	Inactive	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-91TBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Bakersfield	CA	Bakersfield, CA
BERLT-922PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Roosevelt	UT	Utah
BERLT-98NBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Utah
BERLT-9GTBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-9N2PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-9XRBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Utah
BERLT-BPSBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-BRPSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	139
BERLT-BVRBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-BZFBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-C76TTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	0
BERLT-C8PRBS1	Active	Dell Inc.	Latitude E6420	4096	2501	4	$235	Roosevelt	UT	Roosevelt, UT
BERLT-D12PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Parachute	CO	Parachute, CO
BERLT-D2NBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-D3DTTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
BERLT-D6RSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	Bakersfield, CA
BERLT-DZ5TTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
BERLT-F2TBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	0
BERLT-FCTTTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	Lync user for Receptionist Midway (MBK)
BERLT-FHM8K12	Inactive	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BERLT-FQ4PVY1	Active	DELL__	CBX3__		2701	2	$250	Roosevelt	UT	Utah

Schedule 8
Transferred Hardware

BERLT-FQ4PVY1	Active	DELL__	CBX3__	4096	2701	2	$250	Roosevelt	UT	Utah
BERLT-G6DBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-GHVBJX1	Inactive	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-GM2PVY1	Inactive	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-GVRBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-HVVBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-HW4PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-HWLN7W1	Active	Dell Inc.	Latitude E6430	8192	2601	3-4	$275	Roosevelt	UT	0
BERLT-J32XXZ1	Active	Dell Inc.	Latitude E6440	8192	2901	3	$350	McKittrick	CA	NMWSS
BERLT-JPTBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
BERLT-JWS9JX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	0
BFDDT-2M6MFZ1	Active	Dell Inc.	Precision T5610	8192	2601	2	$1,300	Bakersfield	CA	Bakersfield, CA
BFDDT-2M6NFZ1	Active	Dell Inc.	Precision T5610	8192	2601	2	$1,300	Bakersfield	CA	Bakersfield, CA
BFDDT-2M7LFZ1	Active	Dell Inc.	Precision T5610	8192	2601	2	$1,300	Bakersfield	CA	Bakersfield, CA
BFDDT-2M7PFZ1	Active	Dell Inc.	Precision T5610	8192	2601	2	$1,300	Bakersfield	CA	Bakersfield, CA
BFDDT-2M8MFZ1	Active	Dell Inc.	Precision T5610	8192	2601	2	$1,300	Bakersfield	CA	Bakersfield, CA
BFDDT-43BWM02	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Bakersfield	CA	BAKERSFIELD
BFDDT-43JYM02	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Bakersfield	CA	Bakersfield, CA
BFDDT-49CW9P1	Active	Dell Inc.	OptiPlex 980	2048	2927	4	$100	Bakersfield	CA	Bakersfield, CA
BFDDT-4FTRDB2	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Bakersfield	CA	Bakersfield, CA
BFDDT-4FTSDB2	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Bakersfield	CA	0
BFDDT-53YH9Z1	Active	Dell Inc.	OptiPlex 9020	4096	3201	1-2	$400	Bakersfield	CA	Bakersfield, CA
BFDDT-55JLS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Taft	CA	Taft
BFDDT-55P8S22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Newhall	CA	Placerita
BFDDT-57B9S22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Bakersfield, CA
BFDDT-BHZ5942	Active	Dell Inc.	Precision Tower 58	4096	2601	2	$1,000	Bakersfield	CA	Bakersfield, CA
BFDDT-CWHQDX1	Active	Dell Inc.	OptiPlex 9010	4096	3401	3	$250	Bakersfield	CA	Bakersfield, CA
BFDDT-CWHSDX1	Active	Dell Inc.	OptiPlex 9010	4096	3401	3	$250	Bakersfield	CA	Bakersfield, CA
BFDDT-DBPPQ22	Active	Dell Inc.	Precision Tower 58	16384	2601	2	$1,300	Bakersfield	CA	Bakersfield, CA
BFDDT-DCGGS22	Active	Dell Inc.	Precision Tower 58	16384	2601	2	$1,300	Bakersfield	CA	Bakersfield, CA
BFDDT-G1Y6MS1	Active	Dell Inc.	Precision WorkStat	4096	2394	3	$400	Bakersfield	CA	Bakersfield, CA
BFDDT-G1Y7MS1	Active	Dell Inc.	Precision WorkStat	4096	2394	3	$400	Bakersfield	CA	Bakersfield, CA
BFDDT-HR82XX1	Active	Dell Inc.	OptiPlex 9010	4096	3401	3	$250	Bakersfield	CA	Bakersfield, CA
BFDDT-J2RGN22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	McKittrick	CA	0
BFDDT-JQKMVW1	Active	Dell Inc.	Dell System XPS L3	4096	2501	3	$250	Bakersfield	CA	Bakersfield, CA
BFDLT-1NX8TY1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	BAKERSFIELD
BFDLT-1RBHL12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-1YGDJ72	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Bakersfield	CA	Bakersfield, CA
BFDLT-245TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-2GT1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-2H4TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-2P7TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	0
BFDLT-2XC8Q12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-3CR7Q12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-3J1ML12	Active	Dell Inc.	Precision M4800	4096	2701	2	$700	Bakersfield	CA	0
BFDLT-3MMTZ52	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Bakersfield	CA	Bakersfield, CA
BFDLT-4C4TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-4C8TTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Taft	CA	Taft
BFDLT-4DXSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Parachute	CO	Parachute, CO
BFDLT-4MVFH12	Active	Dell Inc.	Latitude E7440	4096	2301	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-4SC8Q12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	Bakersfield, CA

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BFDLT-4ZR1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	0
BFDLT-594TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-5Q7TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	127
BFDLT-5XR1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-6BQ7Q12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-6QSSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
BFDLT-87D8Q12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-884TTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
BFDLT-8KT1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	139
BFDLT-8L4TTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	Bakersfield, CA
BFDLT-8NNDJ72	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Bakersfield	CA	0
BFDLT-8T5TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	McKittrick	CA	Bakersfield, CA
BFDLT-8XQ1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	0
BFDLT-9886TY1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	Poso Creek Field
BFDLT-9B1CQ12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-9B4TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-9F4TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-9H4TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-B3SFH12	Active	Dell Inc.	Latitude E7440	4096	2301	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-B64XXZ1	Inactive	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	139
BFDLT-B7VZZ52	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Bakersfield	CA	Bakersfield, CA
BFDLT-BC8TTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
BFDLT-BKR1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	257
BFDLT-BZS9JX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Bakersfield	CA	Bakersfield, CA
BFDLT-C08TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-C1V1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-CQGZTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	0
BFDLT-D2DTTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	Bakersfield, CA
BFDLT-D7D8Q12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	BAKERSFIELD
BFDLT-DVD8Q12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	NMWSS
BFDLT-DZGZTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
BFDLT-F5LHL12	Inactive	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	0
BFDLT-FBS2062	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Bakersfield	CA	Taft
BFDLT-FN7TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-FNS1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-FP7TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-FXD8Q12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-G25TJ12	Inactive	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-G9WFH12	Active	Dell Inc.	Latitude E7440	4096	2301	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-GB4TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	0
BFDLT-GSR1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	208F
BFDLT-H5KSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	Bakersfield, CA
BFDLT-HJ1ML12	Active	Dell Inc.	Precision M4800	4096	2701	2	$700	Bakersfield	CA	Bakersfield, CA
BFDLT-HMN2Q12	Active	Dell Inc.	Precision M4800	8192	3301	2	$700	Bakersfield	CA	Bakersfield, CA
BFDLT-HTCTTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	McKittrick	CA	NMWSS
BFDLT-J47TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-JM4TJ12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Bakersfield	CA	Bakersfield, CA
BFDLT-JM5PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Bakersfield	CA	Bakersfield, CA
BFDLT-JP60062	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Bakersfield	CA	Bakersfield, CA
BFDLT-JXRFH12	Active	Dell Inc.	Latitude E7440	4096	2301	2	$400	Bakersfield	CA	Bakersfield, CA
BIGDT-BNVJQW1	Active	Dell Inc.	OptiPlex 9010	4096	3401	3	$250	Roosevelt	UT	435-353-5780

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GBKLT-97GHL12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Roosevelt	UT	Roosevelt, UT
HUGLT-2XSDN12	Active	Dell Inc.	Latitude E7440	4096	2401	2	$400	Lakin	KS	Lakin, KS
HUGLT-6LJ9J72	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Lakin	KS	0
HUGLT-FSWFH12	Active	Dell Inc.	Latitude E7440	4096	2301	2	$400	Lakin	KS	Lakin, KS
HUGLT-FXWFH12	Active	Dell Inc.	Latitude E7440	4096	2301	2	$400	Lakin	KS	Lakin, KS
HUGLT-JQZ1G12	Active	Dell Inc.	Latitude E7440	4096	2301	2	$400	Lakin	KS	Lakin, KS
MIDDT-3BFW842	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Newhall	CA	Placerita
MIDDT-557HS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Bakersfield, CA
MIDDT-55QKS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	McKittrick	CA	0
MIDLT-6FT1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	0
MIDLT-JWR1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	BAKERSFIELD
NEOLT-15HHL12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Roosevelt	UT	Roosevelt, UT
NEOLT-3TBHL12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Roosevelt	UT	Roosevelt, UT
NEOLT-40CHL12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Roosevelt	UT	Roosevelt, UT
NEOLT-83CHL12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Roosevelt	UT	0
NEOLT-C2HHL12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Roosevelt	UT	Roosevelt, UT
NEOLT-JGBHL12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Roosevelt	UT	Roosevelt, UT
PAMLT-1WKM6R1	Active	Dell Inc.	Latitude E6420	4096	2501	4	$235	Lakin	KS	Garden City, KS
PARDT-3BDV842	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Roosevelt	UT	Roosevelt, UT
PARDT-4VKPRW1	Active	Dell Inc.	OptiPlex 9010	4096	3401	3	$250	Parachute	CO	Parachute, CO
PARDT-5RYJ4V1	Active	Dell Inc.	OptiPlex 990	4096	3401	3	$175	Parachute	CO	Parachute, CO
PARLT-1T3XXZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Parachute	CO	Parachute, CO
PARLT-292PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Parachute	CO	Parachute, CO
PARLT-2N3PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Parachute	CO	Parachute, CO
PARLT-4GCBXZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Parachute	CO	Parachute, CO
PARLT-F62PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Parachute	CO	Parachute, CO
PARLT-G09GSY1	Active	Dell Inc.	Latitude E6430	4096	3001	3-4	$275	Parachute	CO	Parachute, CO
PLADT-22FZ182	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Newhall	CA	Placerita
PLADT-G5QK9R1	Active	Dell Inc.	OptiPlex 390	4096	3300	4+	$100	Newhall	CA	Placerita
PLALT-2FVFH12	Active	Dell Inc.	Latitude E7440	4096	2301	2	$400	Bakersfield	CA	Placerita, Ca.
PLALT-75Z2062	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Newhall	CA	Placerita
PLALT-J9S8J72	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Newhall	CA	Placerita
PLALT-JWGDJ72	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Newhall	CA	Placerita
POSDT-4HWHS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Poso Creek Field
POSDT-4JNNS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Poso Creek Field
POSDT-557CS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Poso Creek Field
POSDT-559NS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Poso Creek
POSDT-55F9S22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Poso Creek
POSDT-55K9S22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Poso Creek Field
POSDT-55NKS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Poso Creek Field
POSDT-55TBS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Poso Creek, CA
POSDT-6XX9R22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	Poso Creek Field
ROSDT-CYBZ942	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Roosevelt	UT	Roosevelt, UT
ROSLT-29RSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
ROSLT-50C9J72	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Roosevelt	UT	Roosevelt, UT
ROSLT-7H2PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Roosevelt	UT	Roosevelt, UT
ROSLT-8P45662	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Roosevelt	UT	Roosevelt, UT
ROSLT-9DDTTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Taft	CA	Taft
ROSLT-B05TTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	0
ROSLT-BYNK2Q1	Active	Dell Inc.	Latitude E6420	2048	2100	4	$235	Roosevelt	UT	Roosevelt, UT
ROSLT-C5SSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT

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ROSLT-CJRSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	435-353-5780
ROSLT-FZ5DJ72	Active	Dell Inc.	Latitude E7250	8192	2301	1	$700	Roosevelt	UT	Roosevelt, UT
ROSLT-H9TBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
RVTDT-CONF	Active	Dell Inc.	OptiPlex 990	2048	3101	3	$175	Roosevelt	UT	Roosevelt, UT
RVTLT-1G6PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Roosevelt	UT	Roosevelt, NM
RVTLT-2572DS1	Active	Dell Inc.	Latitude E6420	2048	2501	4	$235	Roosevelt	UT	0
RVTLT-4RZBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Utah
RVTLT-5CQSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
RVTLT-5J2XCS1	Active	Dell Inc.	Latitude E6420	4096	2501	4	$235	Roosevelt	UT	Roosevelt, UT
RVTLT-7TRSTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
RVTLT-91SBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Utah
RVTLT-BN0PVY1	Active	Dell Inc.	Latitude E6430	4096	2701	3-4	$275	Roosevelt	UT	Utah
RVTLT-BQTBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt, UT
RVTLT-CJTBJX1	Active	Dell Inc.	Latitude E6430	4096	2501	3-4	$275	Roosevelt	UT	Roosevelt - Berry
RVTLT-FM8TTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Roosevelt	UT	Roosevelt, UT
SAOLT-60DHL12	Active	Dell Inc.	Latitude E7440	8192	2601	2	$400	Lakin	KS	Lakin, KS
SYRLT-690FBW1	Active	Dell Inc.	Latitude E6430	8192	2601	3-4	$275	Lakin	KS	0
SYRLT-DB6XBW1	Active	Dell Inc.	Latitude E6430	8192	2601	3-4	$275	Lakin	KS	Lakin, KS
TAFDT-3BFX842	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Taft	CA	Taft, CA
TAFDT-438WM02	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft, CA
TAFDT-4FVQDB2	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Taft	CA	SMWSS Asset Team
TAFDT-55CLS22	Inactive	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Bakersfield	CA	0
TAFDT-55DBS22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Taft	CA	Taft, CA
TAFDT-563CP22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Taft	CA	Taft
TAFDT-563DP22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Taft	CA	Taft
TAFDT-565DP22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Taft	CA	Taft
TAFDT-566FP22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Taft	CA	Taft, CA
TAFDT-567DP22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Taft	CA	Taft
TAFDT-567FP22	Inactive	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Taft	CA	Taft
TAFDT-568FP22	Active	Dell Inc.	OptiPlex 9020	4096	3001	1-2	$400	Taft	CA	Taft
TAFDT-5DMLP22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft
TAFDT-5DMMP22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft, CA
TAFDT-5DQKP22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft
TAFDT-6WZ0R22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Taft	CA	Taft
TAFDT-6XK7R22	Active	Dell Inc.	OptiPlex 9020	4096	3301	1-2	$400	Taft	CA	Taft, CA
TAFDT-77DVJS1	Active	Dell Inc.	OptiPlex 990	4096	3401	3	$175	Taft	CA	Taft
TAFDT-9KM9N22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft
TAFDT-9KMCN22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft
TAFDT-9KMWM22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft
TAFDT-9KNBN22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft
TAFDT-9KNCN22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft
TAFDT-9KNWM22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	0
TAFDT-9KNXM22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft, CA
TAFDT-9KP9N22	Active	Dell Inc.	OptiPlex 9020	4096	2901	1-2	$400	Taft	CA	Taft
TAFLT-7TQ1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Bakersfield	CA	Taft
TAFLT-88HZTZ1	Active	Dell Inc.	Latitude E6440	4096	2601	3	$350	Taft	CA	Taft
TAFLT-8KR1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Taft	CA	NMWSS
TAFLT-GVR1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Taft	CA	Taft
TAFLT-H2T1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Taft	CA	Taft
TAFLT-HXT1P12	Active	Dell Inc.	Latitude E7440	4096	2601	2	$400	Taft	CA	Taft
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$350	Bakersfield	CA	Bakersfield, CA

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Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E6440	4096	2601	3	$ 350	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Latitude E7440	8192	2601	2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Precision T3600				$1,300	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Precision T5610				$2,500	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Precision T5610				$2,500	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Precision T5610				$2,500	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Precision T5610				$2,500	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Precision T5610				$2,500	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9020	4096	2901	1-2	$ 400	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9021	4096	2901	1-3	$ 401	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9022	4096	2901	1-4	$ 402	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9023	4096	2901	1-5	$ 403	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9024	4096	2901	1-6	$ 404	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9025	4096	2901	1-7	$ 405	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9026	4096	2901	1-8	$ 406	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9027	4096	2901	1-9	$ 407	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9028	4096	2901	1-10	$ 408	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9029	4096	2901	1-11	$ 409	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Optiplex 9030	4096	2901	1-12	$ 410	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors				$ 75	Bakersfield	CA	Bakersfield, CA

Schedule 8

Transferred Hardware

Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Monitors	$75	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Docking Station	$50	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Docking Station	$50	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Docking Station	$50	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Docking Station	$50	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Docking Station	$50	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Docking Station	$50	Bakersfield	CA	Bakersfield, CA
Inventory	Inv	Dell	Docking Station	$50	Bakersfield	CA	Bakersfield, CA

Schedule 9

PLUGGING AND ABANDONMENT

[SCHEDULE FOLLOWS]

Schedule 9

PLUGGING AND ABANDONMENT

California

Common Well Name	API Number
21Z G-21	030-49706
21Z SP-2	029-37658
BB&O 49	029-45264
BB&O 60	029-46521
Berry & Ewing 301	030-01264
Berry & Ewing 149	029-46196
Berry & Ewing 157R	030-10384
Berry & Ewing 158	029-47984
Big Ten 101	029-52604
Big Ten 106	029-53402
Catfish 29	029-45510
Catfish 52	029-49765
Ethel D 376	029-09397
Ethel D 4-1	030-31203
Fairfield 348	030-02959
Fairfield 41	029-47666
Fairfield 48	029-53733
Fairfield 48-62	030-49706
Fairfield 56-69	030-49873
Fairfield 57-68	030-49874
Fairfield 57-70	030-49875
Fairfield 58-65	030-49876
Fairfield 58-67	030-49877
Fairfield 58-69	030-49950
Fairfield 59-68	030-49955
Fairfield 60	029-57803
Fairfield 60-65	030-49879
Fairfield 60-67	030-49954
Fairfield 60-69	030-49951
Fairfield 61-68	030-49953
Fairfield 62-67	030-49956
Fairfield 67	029-58418
Fairfield 92	029-66613
Fairfield A-113	029-70042
Fairfield A-117	029-71869
Fairfield A-128	029-73087
Fairfield A-141	029-75196
Fairfield A-142	029-75197
Fairfield A-143	029-75198
Fairfield A-146	029-75200
Fairfield A-147	029-75201
Fairfield A-153	029-75207
Fairfield A-155	029-75128
Hillside 101	029-51591

Schedule 9

PLUGGING AND ABANDONMENT

California

Common Well Name	API Number
Hillside 113	029-51593
Hillside 116	029-51538
Hillside 123	029-48992
Hillside 131	029-51539
Hillside 173	029-86023
Hillside 33	029-37521
Hillside 36	029-37524
Hillside 50	029-45263
Hillside 55	029-48040
Hillside 62	029-478043
Hillside 64	029-48987
Hillside 67	029-51233
Hillside 70	029-48047
Hillside 75	029-51236
Hillside 76	029-48048
Hillside 77	029-48988
Hillside 80	029-47735
Hillside 87	029-47642
Hillside 88	029-48990
Pan 10	029-15460
Pan 20	029-57791
Pan 34	030-26322
Pan 8	029-15458
Section 31D 1-i	030-09322
Section 36 20	030-03319
Southwestern 54-48	030-41723
Surprise 11	029-36304
Surprise 15	029-36308
Surprise 23	029-43032
Surprise 40	029-48146
Surprise 41	029-50542
Surprise 60	029-48639
Surprise 61	029-60208
Surprise 87	029-51211
Surprise 96	029-51544
Tannehill 149	029-87418
USL 12-1 flowline removal	029-19936

Schedule 9
PLUGGING AND ABANDONMENT
Kansas

State	County	Well Name	API	ACQ	Operator	Total WI (Linn+Berry)	Total NRI (Linn+ Berry)
KS	Grant	TATE Moore 09 002	15-067-20255	XTO	Linn	1.0000	0.8749
KS	Stevens	LEFFLER UNIT 3	15-189-21151	XTO	Linn	1.0000	0.9063
KS	Stevens	PARKER ESTATE 2	15-189-00572	XTO	Linn	1.0000	
KS	Finney	LAYMAN 03 UNIT 25 002	15-055-21308	XTO	Linn	1.0000	0.9028
KS	Kearny	TATE-UNREIN UNIT 3	15-093-21205	XTO	Linn	1.0000	1.0000
KS	Morton	TILLETT LM 21 001	15-129-20239	XTO	Linn	1.0000	0.8750
OK	Texas	Langston 1-2	35-139-22009	XTO	Linn	1.0000	0.8750
KS	Kearny	LEE 11 UNIT 30 002	15-093-20292	XTO	Linn	1.0000	0.8142
KS	Kearny	RODERICK 03 UNIT 26 002	15-093-20305	XTO	Linn	1.0000	0.8750
KS	Stevens	SHERWOOD WINTER 1	15-189-20506	XTO	Linn	1.0000*	0.8750*
KS	Haskell	BURGMEIER 35 001	15-081-00400	XTO	Linn	1.0000	0.6563
KS	Kearny	TATE 08 UNIT 23 002	15-093-20216	XTO	Linn	1.0000	0.8776
KS	Finney	BROWN 07 UNIT 35 008	15-055-20642	XTO	Linn	1.0000	0.8750
KS	Stevens	SHULER HE 16 004	15-189-20985	XTO	Linn	1.0000	0.8750
KS	Stevens	PIPER 01 UNIT 02 002	15-189-20588	XTO	Linn	1.0000	0.8750
OK	Texas	E. CARPENTER UNIT 3	35-139-22110	XTO	Linn	1.0000*	0.8750*
KS	Grant	WILLIAMS 02 UNIT 19 003	15-067-20179	XTO	Linn	1.0000	0.8750
KS	Stevens	RAPP GRIGSBY 21 002	15-189-20347	XTO	Linn	1.0000	0.9219
KS	Kearny	LEE 6-2	15-093-20220	XTO	Linn	1.0000	0.8203
KS	Finney	BROWN UNIT 6-7	15-055-20486	XTO	Linn	1.0000	0.8750
OK	Texas	SWENSON UNIT 2-30	35-139-24183	XTO	Linn	1.0000	0.8750
KS	Stevens	RAYDURE 1-2	15-189-20438	XTO	Linn	1.0000	0.8750
KS	Kearny	WILKIE 1-2	15-093-20059	XTO	Linn	1.0000	0.8750
KS	Grant	Mickey J 33 002	15-067-20534	XTO	Linn	1.0000	0.8750
KS	Kearny	TATE WHITE 27 002	15-093-20716	XTO	Linn	1.0000	
KS	Kearny	BUCK 1 I - 15	15-093-21584	XTO	Linn	1.0000	
KS	Stevens	PHILLIPS RS 10 005	15-189-20338	XTO	Linn	1.0000	
KS	Stevens	SIEGMUND 1-2	15-189-20585	XTO	Linn	0.7500	
KS	Grant	GUY FAIRCHILD 36 003	15-067-20622	XTO	Linn	1.0000	
KS	Finney	J. LIGHTNER I 1	15-055-20882	XTO	Linn	1.0000	
KS	Stevens	FOSTER 1-2	15-189-20771	XTO	Linn	1.0000	
KS	Stevens	ELLIS 1-2	15-189-20666	XTO	Linn	1.0000	
KS	Kearny	Nightengale 1-26 (White Heirs Unit 3)	15-093-21804	XTO	Linn	0.0000*	0.0000*
KS	Stevens	O DEA JAMES - A 2	15-189-21034	XTO	Linn	0.0000*	0.0000*
KS	Haskell	DOERKSEN UNIT 4-14 (Stonestreet 14-1)	15-081-21866	XTO	Linn	0.0000*	0.0000*
KS	Morton	LOIS 9-1 (AO MANGLES 3-9)	15-129-21781	XTO	Linn	0.0000*	0.0000*

Schedule 9
PLUGGING AND ABANDONMENT
Utah

Well Name	API Number	State	County	WI	NRI	Well Classification
SCOFIELD THORPE 22-41X	43007308900000	UT	CARBON	1.00000000	0.84577500	PA Proposed to State
SCOFIELD THORPE 23-31	43007310010000	UT	CARBON	1.00000000	0.84577500	PA Proposed to State
SCOFIELD THORPE 35-13	43007309910000	UT	CARBON	1.00000000	0.84577500	PA Proposed to State
SFW FEE 13-10D-54	43013508920000	UT	DUCHESNE	0.99805695	0.63734453	PA Proposed to State
TAYLOR FEE 7-14-56	43013331400000	UT	DUCHESNE	0.56250000	0.49218750	PA Proposed to State
UTE TRIBAL 10-14-55	43013326010000	UT	DUCHESNE	1.00000000	0.82000000	PA Proposed to State
UTE TRIBAL 12-15-55	43013329810000	UT	DUCHESNE	1.00000000	0.82000000	PA Proposed to State
UTE TRIBAL 1-33	43013321850000	UT	DUCHESNE	1.00000000	0.81000000	PA Proposed to State
UTE TRIBAL 15-15-55	43013328550000	UT	DUCHESNE	1.00000000	0.82000000	PA Proposed to State
UTE TRIBAL 7-14-55	43013332690000	UT	DUCHESNE	1.00000000	0.82000000	PA Proposed to State

Schedule 9

PLUGGING AND ABANDONMENT

Colorado, Utah, Texas

STATE	BUSINESS UNIT	WELL NAME	WELL No.	API	DESCRIPTION
CO	PICEANCE	NONE			
UT	UINTA	Scofield Thorpe Rig Skid	22-41X	43-007-30890	Gas Well
UT	UINTA	Scofield Thorpe	23-31	43-007-31001	Gas Well
UT	UINTA	Scofield Thorpe	35-13	43-007-30991	Gas Well
UT	UINTA	SWD Fee	13-10D-54	43-013-50892	Oil Well
UT	UINTA	Taylor Fee	7-14-56	43-013-33140	Oil Well
UT	UINTA	Ute Tribal	10-14-55	43-013-32601	Oil Well
UT	UINTA	Ute Tribal	12-15-55	43-013-32981	Oil Well
UT	UINTA	Ute Tribal	1-33	43-013-32185	Oil Well
UT	UINTA	Ute Tribal	15-15-55	43-013-32855	Oil Well
UT	UINTA	Ute Tribal	7-14-55	43-013-33269	Oil Well
TX	TEXLA	NONE			

Schedule 10

CALIFORNIA EMISSIONS CREDITS

NONE

Schedule 11

HUGOTON FIELD OFFICES

[SCHEDULE FOLLOWS]

Schedule 11

HUGOTON FIELD OFFICES

Hickok Field Office & Compressor Station – 9180 East Highway 160, Ulysses, KS 67880 (both are in Grant County, Kansas)

Being a portion of Lot Four (4) and the Southeast Quarter of the Southwest Quarter (SE/4 SW/4), (also described as South half of Southwest Quarter), of Section Thirty-One (31), Township Twenty-Eight (28) South, Range Thirty-Five (35) West of 6th P.M ., containing 64.99 acres of land, more or less, being further described in that certain General Warranty Deed, dated April 18th, 1947, from Clarence E. Reed, a single man to Magnolia Petroleum Company, as recorded in Book 31, Page 187 of the deed records of Grant County, Kansas.

Hugoton Field Office – 200 W 4th Street, Hugoton, KS, 67951

Lots 5-7; of Block 27, to the city of Hugoton, being in Section 16, Township 33 South, Range 37 West, Stevens County, Kansas and being further described in that certain Conveyance, Assignment and Transfer, dated December 28, 1961, from Republic Natural Gas Company to Socony Mobil Oil Company, Inc., as recorded in Book 38, Page 216 of the deed records of Stevens County, Kansas.

Lakin Field Office

LAKIN	805 South Highway 25	Lakin	**KS**	67860	620-355-7838	Katherine Lee

A tract of land located in the Southeast Quarter (SE/4) of Section 27, Township 24 South, Range 36 West of the 6th P.M., being further described as follows: Commencing at the SE corner of Section 27, Township 24 South, Range 36 West, thence S 89 ° 22’ 36” W (an assumed bearing) on the South line of the Southside Subdivision for a distance of 954.69 feet to the SW comer of said subdivision; thence S 89 ° 21 • 0711 W on the South line of Section 27 for a distance of 106.26 feet; thence N 00 ° 00’ 00” E for a distance of 55.34 feet to the SE corner of “Tract l II as recorded in Book A, Page 79; thence N 30 ° 09’ 33” E on the Easterly line of said Tract I for a distance of 372.38 feet to the POINT OF BEGINNING; thence N 86° 32’ 08” W for a distance of 147.94 feet to the SE comer of “Tract 2” as recorded in Book A, Page 79; thence N 23 ° 28’ 36” E on the Easterly line of said Tract 2 for a distance of 259.29 feet; thence N 11 ° 36’ 36” Eon the Easterly line of said tract for a distance of 185.67 feet; thence N 00 ° 21’ 14” Eon the Easterly line of said tract for a distance of 121.57 feet; thence N 06 ° 13’ 51” W on the Easterly line of said tract for a distance of 80.00 feet; thence S 77 ° 18’ 32” E for a distance of 345.21 feet to a point on the Westerly right of way line of Highway #25; thence S 30 ° 09’ 33” Won said right of way line for a distance of 640.60 feet to the POINT OF BEGINNING, containing 2.998 acres of land., more or Jess. The basis of bearings being the South line of Section 27, being assumed to be S 89 ° 21’ 23” W. Being the same land conveyed by Corporation Deed dated November I, 2000, from Beymer & Beymer, Inc. to Plains Petroleum Operating Company, as recorded in Book 173, Page 645 of the land records of Kearny County, Kansas and being further described in that certain Deed (with Limited Warranty) dated March 30, 2003, from Williams Production RMT Company to XTO Energy Inc., as recorded in Book 195, Page 68 of the land records of Kearny County, Kansas.

Exhibit 10.3

STOCKHOLDERS AGREEMENT

This Stockholders Agreement (this "Agreement") is made as of February 28, 2017, by and among Berry Petroleum Corporation, a Delaware corporation (the "Company"), and each of the Stockholders (as defined below) named on the signature pages hereto.

BACKGROUND

The Stockholders as of the date of this Agreement have received shares of Common Stock and Preferred Stock pursuant to the Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC and certain of their subsidiaries and affiliates (the "Plan") under Chapter 11 of Title 11 of the United States Code approved by the United States Bankruptcy Court for the Southern District of Texas.

NOW, THEREFORE, in consideration of the premises and the mutual agreements, covenants and provisions contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

ARTICLE 1. DEFINITIONS; RULES OF INTERPRETATION

Section 1.1 Definitions. As used herein, the terms below shall have the following meanings.

"Affiliate" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person, or any Related Fund of any of the foregoing. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct or cause the direction of the management and policies of such specified Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing. Notwithstanding the foregoing, in no event shall any Stockholder or any of its Affiliates be deemed to be an Affiliate of any other Stockholder solely by reason of such Stockholder's control of the Company.

"Agreement" has the meaning set forth in the preamble of this Agreement.

"Benefit Street" means Benefit Street Partners.

"Board" means the Board of Directors of the Company.

"beneficial ownership" has the meaning set forth in Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended.

"Business Day" means any day (other than a day which is a Saturday, Sunday or legal holiday in the State of New York) on which banks are open for business in the State of New York.

"Bylaws" means the Amended and Restated Bylaws of the Company as in effect on February 28, 2017, as may be amended, modified or amended and restated and in effect from time to time.

"Certificate of Designation" means the Certificate of Designation of Series A Convertible Preferred Stock of the Company, as may be amended, modified, supplemented or amended and restated and in effect from time to time.

"Certificate of Incorporation" means the Amended and Restated Certificate of Incorporation of the Company, as may be amended, modified, supplemented or amended and restated and in effect from time to time, including any certificates of correction or amendment thereto that are filed with the Secretary of State of the State of Delaware on February 28, 2017.

"Common Stock" means common stock of the Company, par value $0.001 per share.

"Company" has the meaning set forth in the preamble of this Agreement.

"DGCL" means the General Corporation Law of the State of Delaware.

"Director" means a member of the Board.

"Forfeited Seats" has the meaning set forth in clause (1) of the proviso to Section 2.1(c)(ii).

"Necessary Action" means, with respect to a specified result, all actions that are permitted by law and necessary or desirable to cause such result, including (i) nominating and causing to be nominated each Director to be nominated pursuant to Section 2.1 in the Company's slate of nominees to the Stockholders for each election of Directors, (ii) attending meetings in person or by proxy for purposes of obtaining a quorum, (iii) voting or providing a written consent or proxy with respect to Shares, (iv) causing the adoption of Stockholders' resolutions and amendments to the Organizational Documents, (v) executing agreements and instruments, (vi) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result, (vii) causing the election or removal of Directors, or the filling of Board vacancies, and (viii) causing any controlled Affiliates that beneficially own Shares to do the foregoing. "Necessary Action" also means, with respect to a specified result, all actions that are permitted by law and necessary or desirable to cause a contrary result not to occur, including voting or providing a written consent or proxy with respect to Shares (i) against any matter that is presented to Stockholders for a vote or consent that is inconsistent with the specified result or any of the terms of this Agreement, and (ii) to ensure that the Organizational Documents do not at any time conflict with the specified result or any of the terms of this Agreement.

"Oaktree" means Oaktree Capital Management.

"Organizational Documents" means the Certificate of Incorporation, the Bylaws and the Certificate of Designation, in each case as may be amended or amended and restated from time to time.

"Person" means an individual, partnership, corporation, unincorporated organization, joint stock company, limited liability company, trust, joint venture or other legal entity or group, or a governmental agency or political subdivision thereof.

"Plan" has the meaning set forth in the recitals to this Agreement.

"Plan Effective Date" has the meaning set forth in the Plan with respect to the term "Effective Date."

"Preferred Stock" means Series A Convertible Preferred Stock of the Company

"Related Fund" means, with respect to any Person, a fund, pooled investment vehicle or managed account now or hereafter existing that is (i) controlled by one or more general partners or managing members, of such Person, or (ii) managed or advised by the same manager or advisor as such Person.

"Shares" means, collectively, all shares of Common Stock and Preferred Stock beneficially owned by the Stockholders and shall include all securities issued or issuable with respect thereto by way of a split, dividend, or other division of securities, or in connection with a combination of securities, conversion, exchange, replacement, recapitalization, merger, consolidation, or other reorganization or otherwise.

"Stockholder" means each Person (other than the Company) named on the signature pages to this Agreement.

"Stockholder Group" means the Stockholders collectively; *provided, however,* that any action or election permitted to be taken by the Stockholder Group shall be deemed taken if approved by members of the Stockholder Group beneficially owning a majority of the Shares beneficially owned by all members of the Stockholder Group.

Section 1.2 Rules of Interpretation.

(a) Generally. Unless the context otherwise clearly requires: (a) a term has the meaning assigned to it; (b) "or" is not exclusive; (c) wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in either the masculine, feminine or neuter shall include the masculine, feminine and neuter; (d) provisions apply to successive events and transactions; (e) all references in this Agreement to "including" shall be deemed to be followed by the phrase "without limitation"; (f) all references in this Agreement to designated "Articles," "Sections," "paragraphs," "clauses" and other subdivisions are to the designated Articles, Sections, paragraphs, clauses and other subdivisions of this Agreement, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, paragraph, clause or other subdivision; (g) any definition of or reference to any agreement, instrument, document, statute, rule or regulation herein shall be construed as referring to such agreement, instrument, document, statute, rule or regulation as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein) and (h) the word "extent" and the phrase "to the extent" when used in this Agreement shall mean the degree to which a subject or other thing extends, and such word or phrase shall not merely mean "if."

(b) Organizational Documents. If and to the extent that any provision of this Agreement conflicts with or is inconsistent with any provision of the Organizational Documents, then to the fullest extent permitted by law, such provision of this Agreement shall be controlling and, to the extent practicable, the conflicting or inconsistent provision of the Organizational Documents shall be construed in a manner consistent with such provision of this Agreement.

(c) Sophisticated Parties. This Agreement is among financially sophisticated and knowledgeable Persons and is entered into by such Persons in reliance upon the economic and legal bargains contained herein and shall be interpreted and construed in a fair and impartial manner without regard to such factors as the Person who prepared, or cause the preparation of, this Agreement or the relative bargaining power of such Persons. Subject to applicable law, wherever in this Agreement a Stockholder is empowered to take or make a decision, direction, consent, vote, determination, election, action or approval, such Stockholder is entitled to consider, favor and further such interests and factors as it desires, including its own interests, and has no duty or obligation to consider, favor or further any other interest of the Company, any subsidiary or any other Stockholder.

ARTICLE 2. BOARD OF DIRECTORS

Section 2.1 Election of Directors; Number and Composition of the Board.

(a) Board Size; Third Election; Generally. Each Stockholder and the Company hereby agrees to take all Necessary Action so as to:

(i) cause the Board to be constituted with five individuals during the term of this Agreement;

(ii) cause the third annual meeting of stockholders to not occur until, at the earliest, February 28, 2020 (the date of such third annual meeting, the "Third Election"); and

(iii) take or cause to be taken all such action as may be necessary to effect the provisions of this Section 2.1.

(b) Initial Board. The initial Board as of the Plan Effective Date shall consist of two vacancies and the three Directors identified below, and each Stockholder hereby consents to the election of each such Initial Directors, effective as of the Plan Effective Date:

Name of Director

Arthur Tremaine Smith
Brent Buckley
Kaj Vazales

(c) Subsequent Board Composition. Each of the Stockholders shall take all Necessary Action to cause the Board to be constituted as follows:

(i) Chief Executive Officer. The individual holding the office of Chief Executive Officer (or interim Chief Executive Officer) of the Company from time to time shall be elected as a Director (which individual is Arthur Tremaine Smith as of the date of this Agreement).

(ii) Stockholder Appointments. The following individuals shall be elected as a Director:

(A) for so long as Benefit Street beneficially owns any Shares, one individual appointed by Benefit Street (which individual is Brent Buckley as of the date of this Agreement);

(B) for so long as Oaktree beneficially owns any Shares, one individual appointed by Oaktree (which individual is Kaj Vazales as of the date of this Agreement); and

(C) for so long as the Stockholder Group beneficially owns any Shares, two individuals appointed by the Stockholder Group (which Board seats are vacant as of the date of this Agreement).

(iii) Remaining Directors. The remaining Directors not subject to rights of designation set forth above, if any, shall be elected in accordance with the Organizational Documents.

(d) Removal; Vacancies.

(i) Each Director shall hold office from the time of his or her appointment until his or her death, resignation or removal in accordance with the Organizational Documents; *provided, however,* that upon written notice to the Company, a Director appointed and elected pursuant to Section 2.1(c) may be removed by the Person entitled to appoint or elect such Director.

(ii) Vacancies on the Board shall be filled in accordance with the designation, nomination and election rights set forth in Section 2.1(c).

Section 2.2 Exculpation. The Company and the Stockholders agree that no Stockholder, nor any Affiliate of any Stockholder, shall have any liability as a result of designating any individual as a Director or proposing to nominate any individual for election as a Director, solely for any act or omission by such individual in his or her capacity as a Director, nor shall any Stockholder or any Affiliate of any Stockholder have any liability as a result of voting for any such individual in accordance with the provisions of this Agreement; *provided, however,* that this Section 2.2 shall not exculpate any Stockholder for any action taken or omitted to be taken by such Stockholder that is a breach or violation of this Agreement.

ARTICLE 3. MISCELLANEOUS

Section 3.1 Survival of Agreement; Term. This Agreement, and the Company's and the Stockholders' respective rights and obligations hereunder shall remain in effect until terminated (a) automatically upon the occurrence of the Third Election or (b) at any time by the written agreement of the Company and Stockholders owning at least a majority of the Shares then beneficially owned by all Stockholders; provided, however, that any termination pursuant to this Section 3.1(b) shall also require the written agreement of any Person that then has the right to appoint a Director pursuant to Section 2.1. This Agreement shall terminate automatically with respect to any Stockholder when such Stockholder ceases to beneficially own any Shares; *provided, however,* that this Article 3 shall survive any such termination with respect to such Stockholder and shall terminate as set forth in this Section 3.1.

Section 3.2 Notices. All notices, requests, waivers and other communications made pursuant to this Agreement shall be in writing and shall be deemed to have been effectively given (a) when delivered by hand, facsimile or electronic transmission to the party to be notified, (b) one Business Day after deposit with a national overnight delivery service with next-business- day delivery guaranteed, (c) three Business Days after deposit in the United States mail postage prepaid by certified or registered mail return receipt requested, in each case addressed to the party to be notified at the addresses set forth below such party's respective signature to this Agreement, or (d) when posted to an Intralinks or similar site to which all Stockholders have been offered access. Any party to this Agreement may change its address for purposes of notice hereunder by giving ten days' written notice of such change to all other parties to this Agreement, in the manner provided in this Section 3.2.

Section 3.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

Section 3.4 Entire Agreement. This Agreement (together with the documents attached as exhibits hereto and any documents or agreements specifically contemplated hereby) supersedes all prior written and prior or contemporaneous oral discussions and agreements among any of the parties hereto with respect to the subject matter hereof and contains the entire understanding of the parties with respect to the subject matter hereof.

Section 3.5 Amendment. This Agreement shall not be amended, modified or supplemented, and no provision in this Agreement may be waived, except pursuant to a written instrument duly executed by or on behalf of the Company and Stockholders holding a majority of the then outstanding Shares; *provided, however*, that:

(a) if any such amendment, modification, supplement or waiver would reasonably be expected to disproportionately affect any Stockholder in any material respect, approval of each such Stockholder so affected shall be required;

(b) if any such amendment, modification, supplement or waiver would result in the reduction in the number of Directors a Person has the right to appoint pursuant to Section 2.1(c)(ii), such designating Person's approval shall be required;

(c) if any such amendment, modification, supplement or waiver is to Section 2.1(c)(iv), the approval of the holders of a majority of the outstanding voting capital stock of the Company shall be required;

(d) if any such amendment or waiver is to Section 3.1, the approval of the Company and Stockholders holding at least a majority of the Shares then beneficially owned by all Stockholders shall be required, in addition to the approval of any Person that then has the right to appoint a Director pursuant to Section 2.1.

Section 3.6 Third-Party Beneficiary. This Agreement is intended solely for the benefit of each of the parties hereto and their respective successors and permitted assigns, and this Agreement shall not confer any rights upon any other Person, except as provided in Section 2.2.

Section 3.7 Counterparts. This Agreement may be signed in any number of counterparts, any of which may be delivered via facsimile, portable document format (PDF), or other forms of electronic delivery, each of which shall be deemed an original, and all of which are deemed to be one and the same agreement binding upon the Company and each of the Stockholders.

Section 3.8 Headings. The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

Section 3.9 Governing Law; Consent to Jurisdiction and Service of Process. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflicts of law principles or any other principle that results in the application of the law of any other jurisdiction. Each party hereby submits to the exclusive jurisdiction of the United States District Court in the Southern District of New York or any New York State Court, and any judicial proceeding brought against any of the parties on any dispute arising out of this Agreement or any matter related hereto shall be brought in such courts. Each party hereby irrevocably waives, to the fullest extent permitted by law, any objection it may have or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each party hereby consents to process being served in any such proceeding by the mailing of a copy thereof by registered or certified mail, postage prepaid, to the address below such party's respective signature to this Agreement, or in any other manner permitted by law. EACH PARTY HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUCH ACTION OR PROCEEDING.

Section 3.10 Injunctive Relief. The parties to this Agreement hereby agree and acknowledge that it will be impossible to measure the monetary damages that would be suffered if any party to this Agreement fails to comply with any of the obligations imposed on it by this Agreement, and that in the event of any such failure, an aggrieved Person will be irreparably damaged and will not have an adequate remedy at law. Accordingly, each of the parties to this Agreement shall be entitled to injunctive relief, including specific performance, to enforce such obligations, and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law, and no posting of bond or surety shall be required in connection with such action. Each of the parties to this Agreement hereby waives, and causes its respective representatives to waive, any requirement for the securing or posting of any bond in connection with any action brought for injunctive relief hereunder.

Section 3.11 Severability. The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

Section 3.12 Recapitalization and Similar Events. In the event that any shares of capital stock or other securities are issued in respect of, in exchange for, or in substitution of, Common Stock or Preferred Stock by reason of any reorganization, recapitalization, reclassification, merger, consolidation, spin-off, partial or complete liquidation, stock dividend, split-up, sale of assets, distribution to Stockholders or combination of shares of Common Stock or Preferred Stock or any other change in the Company's capital structure, appropriate adjustments shall be made to the provisions of this Agreement, as determined in good faith by the Board, so as to fairly and equitably preserve, as far as practicable, the original rights and obligations of the parties hereto under this Agreement.

Section 3.13 No Other Voting Agreements. Except as specifically contemplated hereby, no Stockholder shall (a) grant any proxy or enter into or agree to be bound by any voting trust with respect to any Shares or (b) enter into any stockholder agreement or arrangement of any kind with any Person with respect to Shares that is, in the case of either clause (a) or (b), in violation of the provisions of this Agreement (irrespective of whether such agreement or arrangement is with one or more other Stockholders), including, but not limited to, agreements or arrangements with respect to the acquisition, disposition, pledge or voting of Shares, nor shall any Stockholder act, for any reason, as a member of a group or in concert with any other Person (other than an Affiliate of such Stockholder) in connection with the acquisition, disposition or voting of Shares in any manner that is in violation of the provisions of this Agreement. Nothing in this Section 3.13 is intended to restrict any Stockholder from entering into any agreement or arrangement with respect to its Shares (with any other Stockholder or otherwise) that is not in violation of the provisions of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned, thereunto duly authorized, have hereunto set their respective hands as of the date and year first written above.

BERRY PETROLEUM CORPORATION

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: Chief Executive Officer

Address for Notices:

Berry Petroleum Corporation
5201 Truxtun Avenue, Suite 100
Bakersfield, CA 93309
Attention: Steven B. Wilson
Email: sbw@bry.com
Fax: 661-616-3890
Telephone: 661-616-3890

STOCKHOLDER:

BENEFIT STREET PARTNERS, L.L.C.

By: **/s/ Brent Buckley**
Name: **Brent Buckley**
Title:

Address for Notices:

Address – Line 1

Address – Line 2

Address – Line 3

Attention

Email

Facsimile

Telephone

STOCKHOLDER:

OAKTREE CAPITAL MANAGEMENT, L.P., as agent and on behalf of certain investment funds and accounts (or an entity owned by such funds and accounts) managed by its subsidiaries and/or affiliates

By: **/s/ Kenneth Liang**
Name: **Kenneth Liang**
Title: **Managing Director**

By: **/s/ Kaj Vazales**
Name: **Kaj Vazales**
Title: **Managing Director**

Address for Notices:

333 S. Grand Ave., 20th Floor
Address – Line 1

Los Angeles, CA 90071
Address – Line 2

Address – Line 3

Kaj Vazales
Attention

kvazales@oaktreecapital.com
Email

213-030-6495
Facsimile

213-030-6450
Telephone

STOCKHOLDER:

CVI AA LUX SECURITIES SARL

By: CarVal Investors, LLC,
Its Attorney-in-Fact

By: /s/ Jeremiah E. Keefe
Name: Jeremiah E. Keefe
Title: Authorized Signer

Address for Notices:

CarVal Investors, LLC
Address – Line 1

1095 Avenue of the Americas, 32nd Floor
Address – Line 2

New York, NY 10036
Address – Line 3

Jeremiah Keefe
Attention

Jerry.Keefe@Carval.com
Email

212-302-9453
Facsimile

212-457-0155
Telephone

STOCKHOLDER:

CVI CVF III LUX SECURITIES SARL

By: CarVal Investors, LLC,
Its Attorney-in-Fact

By: /s/ Jeremiah E. Keefe
Name: Jeremiah E. Keefe
Title: Authorized Signer

Address for Notices:

CarVal Investors, LLC
Address – Line 1

1095 Avenue of the Americas, 32nd Floor
Address – Line 2

New York, NY 10036
Address – Line 3

Jeremiah Keefe
Attention

Jerry.Keefe@Carval.com
Email

212-302-9453
Facsimile

212-457-0155
Telephone

STOCKHOLDER:

CARVAL GCF LUX SECURITIES SARL

By: CarVal Investors, LLC,
Its Attorney-in-Fact

By: /s/ Jeremiah E. Keefe
Name: Jeremiah E. Keefe
Title: Authorized Signer

Address for Notices:

CarVal Investors, LLC
Address – Line 1

1095 Avenue of the Americas, 32nd Floor
Address – Line 2

New York, NY 10036
Address – Line 3

Jeremiah Keefe
Attention

Jerry.Keefe@Carval.com
Email

212-302-9453
Facsimile

212-457-0155
Telephone

STOCKHOLDER:

CVIC LUX SECURITIES TRADING SARL

By: CarVal Investors, LLC,
Its Attorney-in-Fact

By: /s/ Jeremiah E. Keefe
Name: Jeremiah E. Keefe
Title: Authorized Signer

Address for Notices:

CarVal Investors, LLC
Address – Line 1

1095 Avenue of the Americas, 32nd Floor
Address – Line 2

New York, NY 10036
Address – Line 3

Jeremiah Keefe
Attention

Jerry.Keefe@Carval.com
Email

212-302-9453
Facsimile

212-457-0155
Telephone

STOCKHOLDER:

MARATHON ASSET MANAGEMENT LP, by and on behalf of certain of its and its affiliates' managed funds and/or accounts

By: /s/ Peter Coppa
Name: Peter Coppa
Title: Authorized Signatory

Address for Notices:

One Bryant Park
Address – Line 1

38th Floor
Address – Line 2

New York, NY 10036
Address – Line 3

Rajul Aggarwal
Attention

raggarwal@marthonfund.com
Email

212-205-8830
Facsimile

212-500-3028
Telephone

STOCKHOLDER:

GOLDMAN SACHS ASSET MANAGEMENT, L.P., on behalf of certain of its funds and accounts

By: /s/ Ken Topping
Name: Ken Topping
Title: Managing Director

Address for Notices:

Address – Line 1

Address – Line 2

Address – Line 3

Attention

Email

Facsimile

Telephone

STOCKHOLDER:

MATLINPATTERSON GLOBAL OPPORTUNITIES MASTER FUND L.P.

By: MATLINPATTERSON GLOBAL ADVISERS LLC AS ADVISOR FOR MATLINPATTERSON GLOBAL OPPORTUNITIES MASTER FUND L.P.

By: /s/ Michael Lipsky
Name: Michael Lipsky
Title: Senior Portfolio Manager

Address for Notices:

520 Madison Ave., 25th Floor
Address – Line 1

New York, NY 10022
Address – Line 2

Address – Line 3

Patrick Mulhern
Attention

ops@matlinpatterson.com
Email

212-651-4011
Facsimile

212-651-4270
Telephone

STOCKHOLDER:

WESTERN ASSET MANAGEMENT COMPANY, as agent and investment manager for certain of its clients and/or managed funds

By: /s/ Adam Wright
Name: Adam Wright
Title: Manager U.S. Legal Affairs

Address for Notices:

385 E. Colorado Blvd.
Address – Line 1

Pasadena, CA 91101
Address – Line 2

Address – Line 3

Legal Department
Attention

awright@westernasset.com
Email

626-844-9451
Facsimile

626-817-5181
Telephone

STOCKHOLDER:

CI INVESTMENTS INC., as manager on behalf of certain investment funds managed by it

By: /s/ Brad Benson
Name: Brad Benson
Title: VP – Portfolio Manager

By: /s/ Darren Arrowsmith
Name: Brad Benson
Title: Vice President – Portfolio Management

Address for Notices:

Address – Line 1

Address – Line 2

Address – Line 3

Attention

Email

Facsimile

Telephone

Exhibit 10.4

REGISTRATION RIGHTS AGREEMENT

by and among

BERRY PETROLEUM CORPORATION

and

THE HOLDERS PARTY HERETO

Dated as of February 28, 2017

TABLE OF CONTENTS

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "**Agreement**") is made as of February 28, 2017 by and among Berry Petroleum Corporation, a Delaware corporation (the "**Company**") and the Holders party hereto pursuant to the Amended Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC and certain of their subsidiaries and affiliates (the "**Plan**") under Chapter 11 of Title 11 of the United States Code approved by the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Court**"). Capitalized terms used but not otherwise defined herein are defined in Section 1 hereof.

RECITALS:

WHEREAS, the Company proposes to issue the Registrable Securities to the Holders party hereto in the Berry Rights Offering pursuant to, and upon the terms set forth in, the Plan and the Berry Backstop Agreement; and

WHEREAS, this Agreement was contemplated by the Plan and the Berry Backstop Agreement and approved by the Bankruptcy Court, and the Company is thus required to provide to the Holders certain arrangements with respect to registration of the Registrable Securities under the Securities Act.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Company and each of the Holders hereby agree as follows:

1. Definitions.

(a) As used herein, the following terms have the following meanings:

"**Affiliate**" of any particular Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person; *provided* that funds or accounts managed, advised or sub-advised by any Holder shall also be considered Affiliates of such Holder.

"**Automatic Shelf Registration Statement**" means an "automatic shelf registration statement" as defined in Rule 405 (or any successor rule then in effect) promulgated under the Securities Act.

"**beneficially owned**", "**beneficial ownership**" and similar phrases have the same meanings as such terms have under Rule 13d-3 and 13d-5 (or any successor rule then in effect) promulgated under the Exchange Act, except that in calculating the beneficial ownership of any Holder, such Holder shall be deemed to have beneficial ownership of all securities that such Holder has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition. The calculation of beneficial ownership for a Holder shall also include funds or accounts managed, advised or sub-advised by any Holder.

"**Berry**" means Berry Petroleum Company, LLC, a Delaware limited liability company.

"**Berry 2020 Unsecured Notes**" means those certain 6.75% senior unsecured notes due 2020, issued by Berry pursuant to the Berry Unsecured Notes Indenture.

"**Berry 2022 Unsecured Notes**" means those certain 6.375% senior unsecured notes due 2022, issued by Berry pursuant to the Berry Unsecured Notes Indenture.

"**Berry Backstop Agreement**" means that certain Backstop Commitment Agreement, dated as of December 20, 2016, by among Berry, LAC, and the Berry Backstop Parties, which shall be included in the supplemental materials to the Plan.

"**Berry Backstop Parties**" means each Berry Initial Backstop Party and those certain Holders of allowed Berry Unsecured Notes claims that are parties to the Berry Backstop Agreement as of the relevant determination date who have agreed to provide a backstop commitment with regard to the Berry Rights Offerings, and each of their permitted transferees under the Berry Backstop Agreement.

"**Berry Initial Backstop Parties**" means Oaktree Capital Management, L.P. and/or Benefit Street Partners, L.L.C., or their respective affiliated funds that are parties to the Berry Backstop Agreement.

"**Berry Rights**" means the non-certificated rights that will enable the Holders thereof to purchase New Preferred Stock in the Berry Rights Offerings at an aggregate purchase price of $335 million at a price per share of $10.00, which New Preferred Stock will be convertible into New Common Stock.

"**Berry Rights Offering**" means the First Tranche Rights Offering together with the Second Tranche Rights Offering.

"**Berry Unsecured Notes**" means, collectively, (a) the Berry 2020 Unsecured Notes, and (b) the Berry 2022 Unsecured Notes.

"**Berry Unsecured Notes Indenture**" means that certain Indenture, dated as of June 15, 2006, by and between Berry, as issuer, and Wells Fargo Bank, National Association, as indenture trustee, as may be amended, restated, or supplemented from time to time.

"**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by applicable law or executive order to close.

"**Commission**" means the United States Securities and Exchange Commission or any successor governmental agency.

"**control**" (including the terms "controlling," "controlled by" and "under common control with") means, unless otherwise noted, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting shares, by contract, or otherwise.

"**Counsel to the Holders**" means the law firms or other legal counsel to the Holders, which counsel shall be Quinn Emanuel Urquhart & Sullivan, LLP and/or Norton Rose Fulbright US LLP, or such other counsel selected (i) in the case of a Demand Registration, Shelf Registration or Shelf Takedown, by the Holders of a majority of the Registrable Securities initially requesting such Demand Registration, Shelf Registration or Shelf Takedown; and (ii) in the case of a Piggyback Registration, the Holders of a majority of the Registrable Securities included in such Piggyback Registration.

"**EDGAR**" means the Electronic Data Gathering, Analysis and Retrieval System of the Commission.

"**Equity Securities**" of any Person means capital stock or partnership, membership or other ownership interest in or of such Person, or any other securities or similar rights with respect to such Person (including any securities directly or indirectly convertible into or exchangeable or exercisable for any such stock or interest, any phantom stock or stock appreciation right, or options, warrants, calls, commitments or rights of any kind to acquire any such stock or interest). Unless the context otherwise requires, the term "Equity Securities" refers to Equity Securities of the Company.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**FINRA**" means the Financial Industry Regulatory Authority or any successor regulatory authority.

"**First Tranche Rights Offering**" means the offering of Berry Rights to the Berry Initial Backstop Parties, pursuant to which such parties are eligible to receive New Preferred Stock at the First Tranche Rights Offering Amount.

"**First Tranche Rights Offering Amount**" means $60 million in aggregate amount of Berry Rights to receive New Preferred Stock at a price per share set by the Berry Backstop Agreement.

"**Free Writing Prospectus**" means any "free writing prospectus" as defined in Rule 405 promulgated under the Securities Act.

"**Holder**" means (i) the Berry Backstop Parties (including their affiliates), (ii) certain other parties that receive New Preferred Stock or 10 percent or more of the shares of New Common Stock into which the New Preferred Stock converts that are issued under the Plan and/or the Berry Rights Offering, in each case who cannot sell their shares under Rule 144 of the Securities Act without volume or manner of sale restrictions or (iii) any other party to any Joinder, in each case, that, together with its Affiliates, beneficially owns Registrable Securities.

"**Issuer Free Writing Prospectus**" means an issuer free writing prospectus as defined in Rule 433 under the Securities Act.

"**Joinder**" a joinder agreement in the form of Annex A executed and delivered to the Company pursuant to Section 11 hereof.

"**LAC**" means Linn Acquisition Company, LLC, a Delaware limited liability company.

"**Material Adverse Effect**" means any material adverse effect on the business, properties, assets, operations, results of operations, condition (financial or otherwise) or prospects of the Company and its subsidiaries, taken as a whole.

"**National Securities Exchange**" means any exchange registered as a U.S. national securities exchange in accordance with the provisions of Section 19 of the Exchange Act (or any successor provisions then in effect).

"**New Common Stock**" means the new common stock in the Company to be issued and distributed under the Plan, including shares of common stock in the Company issuable upon a conversion of the New Preferred Stock.

"**New Preferred Stock**" means the preferred stock in the Company to be purchased by the participants in the Berry Rights Offerings upon the exercise of the Berry Rights, pursuant to the terms of the new organizational documents with respect to the Company, the Berry Backstop Agreement, the Berry Backstop Agreement order, and the Berry Rights Offerings procedures or the preferred stock issued to such participants as a commitment fee pursuant to the Berry Backstop Agreement.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a governmental entity or any department, agency or political subdivision thereof or any other entity.

"**Public Offering**" means any sale or distribution to the public of Equity Securities of the Company pursuant to an offering registered under the Securities Act, whether by the Company, by Holders and/or by any other holders of the Company's Equity Securities.

"**Prospectus**" means the prospectus used in connection with a Registration Statement.

"**Registrable Securities**" means (a) any New Common Stock or New Preferred Stock or New Common Stock into which the New Preferred Stock converts that is issued or issuable to any Holder and (b) any Equity Securities issued or issuable directly or indirectly with respect to the securities referred to in clause (a) above by way of any distribution, dividend, split, conversion or in connection with a combination of shares, recapitalization, exchange, merger, consolidation or other reorganization; provided that as to any Registrable Securities, such securities shall irrevocably cease to constitute Registrable Securities upon the earliest to occur of: (A) the date on which such securities have been disposed of pursuant to an effective registration statement under the Securities Act; (B) the date on which such securities have been disposed of pursuant to Rule 144; (C) the date on which such securities have been transferred to any Person, other than a Holder or a Person pursuant to Section 11 hereof; and (D) the date on which such securities cease to be outstanding. For purposes of determining the number or a percentage of Registrable Securities in this Agreement, the number or percentage of Registrable Securities shall be determined based on a fully diluted common stock equivalent basis (assuming the conversion of all New Preferred Stock).

"**Registration Statement**" means any registration statement filed hereunder or in connection with a Piggyback Registration.

"**Required Holders**" means Holders who collectively have beneficial ownership of at least 10% of the New Common Stock originally issued under the Plan, calculated on a fully diluted common stock equivalent basis (assuming the conversion of all New Preferred Stock issued in the Berry Rights Offering).

"**Rule 144**" means Rule 144 promulgated under the Securities Act (or any successor rule then in effect).

"**Rule 144A**" means Rule 144A promulgated under the Securities Act (or any successor rule then in effect).

"**Second Tranche Rights Offering**" means the offering of Berry Rights to the Berry Rights Offerings participants, pursuant to which such parties are eligible to receive New Preferred Stock at the Berry Second Tranche Rights Offering Amount.

"**Second Tranche Rights Offering Amount**" means $240 million (or, if there is an increase in the Second Tranche Rights Offering, $275 million) in aggregate amount of Second Tranche Rights to receive New Preferred Stock at a price per share set by the Berry Backstop Agreement.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Shelf Registration**" means a registration of securities pursuant to a Registration Statement filed with the Commission in accordance with and pursuant to Rule 415 promulgated under the Securities Act (or any successor rule then in effect).

"**Shelf Takedown**" means an Underwritten Shelf Takedown or another Public Offering pursuant to a Shelf Registration.

"**Well-Known Seasoned Issuer**" means a "well-known seasoned issuer" as defined in Rule 405 promulgated under the Securities Act (or any successor rule then in effect) and which (i) is a "well-known seasoned issuer" under paragraph (1)(i)(A) of such definition or (ii) is a "well-known seasoned issuer" under paragraph (1)(i)(B) of such definition and is also eligible to register a primary offering of its securities relying on General Instruction I.B.1 of Form S-3 or Form F-3 under the Securities Act.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Bought Deal	3(c)
Company	Recitals
Company Demand Registration Notice	2(b)
Company Shelf Registration Notice	3(a)

Term	Section
Company Shelf Takedown Notice	3(c)
Demand Registration Notice	2(b)
Demand Shelf Takedown Notice	3(c)
Determination Date	3(g)
Due Diligence Information	6(a)(x)
End of Suspension Notice	5(b)
Form S-1 Shelf	3(a)
Form S-3 Shelf	3(a)
Lock-Up Agreement	9(a)
Long-Form Registration	2(a)
Losses	10(a)
Opt-In Election	7(e)
Opt-Out Election	7(e)
Permitted Free Writing Prospectus	7(a)
Piggyback Registration	4(a)
Plan	Recitals
Required Effective Period	6(a)(iii)
road show	10(a)
Shelf Registration Statement	3(a)
Short-Form Registration	2(a)
Suspension Event	5(b)
Suspension Notice	5(b)
Underwritten Shelf Takedown	3(c)
Withdrawal Request	5(d)

2. Demand Registration.

(a) Requests for Registration. The Required Holders may request registration under the Securities Act of all or any portion of the Registrable Securities held by such Required Holder(s) (A) on Form S-1 (or any successor form then in effect) (a "**Long-Form Registration**") or (B) on Form S-3 or any similar short-form registration (a "**Short-Form Registration**"), if available (any registration under this Section 2(a), a "**Demand Registration**"); *provided* that the Company will not be required to take any action pursuant to this Section 2(a) of this Agreement if within the 120 calendar day period preceding the date of a Demand Registration Notice: (i) the Company effected a Demand Registration, (ii) such Required Holders received notice of such Demand Registration and (iii) such Required Holders were able to register and sell pursuant to such Demand Registration at least 60% of the Registrable Securities requested to be included therein either at the time of the effectiveness thereof or within 90 calendar days thereafter.

(b) Demand Registration Notices. All requests for Demand Registrations shall be made by giving written notice to the Company (the "**Demand Registration Notice**"). Each Demand Registration Notice shall specify (i) whether such Demand Registration shall be an underwritten Public Offering and (ii) the approximate number of Registrable Securities proposed to be sold in the Demand Registration. The Company shall promptly give written notice (a "**Company Demand Registration Notice**") of the filing of a Registration Statement pursuant to this Section 2 to all of the Holders within five (5) Business Days after such filing, and, subject to the provisions of Section 2(d) below, shall include in such Demand Registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 10 Business Days after the date of the Company Demand Registration Notice.

(c) Short-Form Registrations. Demand Registrations shall be Short-Form Registrations whenever the Company is permitted to use any applicable short form registration statement under the rules and regulations of the Securities Act, unless the underwriters, in their reasonable discretion, determine that the use of a Long-Form Registration is necessary in order for the successful offering of such Registrable Securities. Promptly after the Company has become eligible to use Form S-3 under the Securities Act, the Company shall use commercially reasonable efforts to make Short-Form Registrations on Form S-3 (or any successor form) available for the resale of Registrable Securities on a continuous or delayed basis.

(d) Priority on Demand Registrations. The Company shall not include in any Demand Registration any securities which are not Registrable Securities without the prior written consent of the Holders of a majority of the Registrable Securities requested to be included in the Demand Registration, *provided* that the Company may include in such Demand Registration shares of its Equity Securities for sale for its own account, subject to the priority provision described below. If the Demand Registration is an underwritten Public Offering and the managing underwriters for such Demand Registration advise the Company and applicable Holders in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such Demand Registration exceeds the number of Registrable Securities and other securities, if any, which can be sold without adversely affecting the marketability, proposed offering price range acceptable to the Holders of a majority of the Registrable Securities requested to be included in the Demand Registration, timing or method of distribution of the offering, the Company shall include in such Demand Registration the number of Registrable Securities which can be sold without such adverse effect in the following order of priority: (i) first, the Registrable Securities requested to be included in such Demand Registration, allocated *pro rata* among the respective Holders of such Registrable Securities on the basis of the number of Registrable Securities owned by each such Holder; (ii) second, securities offered by the Company; and (iii) third, other securities requested to be included in such Demand Registration to the extent permitted hereunder.

(e) Selection of Underwriters. The Holders of a majority of the Registrable Securities initially requesting a Demand Registration which is an underwritten Public Offering shall have the right to select the managing underwriters to administer the Public Offering (which shall consist of one or more reputable nationally recognized investment banks).

(f) Effective Demand Registration. A registration shall not constitute a Demand Registration:

(i) unless it has been declared effective by the Commission and remains continuously effective for the Required Effective Period (as defined below);

(ii) if after such Demand Registration has become effective and prior to all of the Registrable Securities registered in such Demand Registration being sold, such registration or the related offer, sale or distribution of Registrable Securities thereunder is interfered with by any stop order, injunction or other order or requirement of the Commission or other governmental agency or court for any reason not attributable to the Holders requesting the Demand Registration and such interference is not eliminated within forty-five (45) days thereafter; or

(iii) if the conditions specified in the underwriting agreement, if any, entered into in connection with such Demand Registration are not satisfied or waived, other than by reason of a failure on the part of the Holders.

3. Shelf Registration.

(a) Requests for Shelf Registration. As soon as practicable after the execution of this Agreement, the Company shall file a Registration Statement for a Shelf Registration on Form S-1 covering the resale of the Registrable Securities on a delayed or continuous basis (a "**Form S-1 Shelf**") or, if available, on Form S-3 (a "**Form S-3 Shelf**" and, together with a Form S-1 Shelf, a "**Shelf Registration Statement**") and specify the approximate number of Registrable Securities to be included in such Shelf Registration Statement. The Company shall give written notice (a "**Company Shelf Registration Notice**") of the filing of the Shelf Registration Statement within 5 Business Days of such filing to all Holders of Registrable Securities and shall include in such Shelf Registration Statement all Registrable Securities with respect to which the Company has received written requests for inclusion therein within 10 Business Days of the date of the Company Shelf Registration Notice. The Shelf Registration Statement shall be effective for a period ending on the earlier of (i) the date on which all Registrable Securities included in such registration have been sold; (ii) the date on which all such securities cease to be Registrable Securities or (iii) the maximum length permitted by the Commission. The Company shall maintain the Shelf Registration Statement in accordance with the terms hereof.

(b) Conversion to Form S-3. The Company shall use commercially reasonable efforts to convert any Form S-1 Shelf to a Form S-3 Shelf as soon as reasonably practicable after the Company is eligible to use Form S-3.

(c) Requests for Underwritten Shelf Takedowns. At any time and from time to time after the Shelf Registration Statement has been declared effective by the Commission, the Required Holders may request to sell all or any portion of their Registrable Securities in an underwritten Public Offering that is registered pursuant to the Shelf Registration Statement (each, an "**Underwritten Shelf Takedown**"), *provided* that the net proceeds to be received by Holders in connection with such Public Offering will be reasonably expected to exceed $25 million. All requests for Underwritten Shelf Takedowns shall be made by giving written notice to the Company (a "**Demand Shelf Takedown Notice**"). Each Demand Shelf Takedown Notice shall specify the approximate number of Registrable Securities proposed to be sold in the Underwritten Shelf Takedown. Within five Business Days after receipt of any Demand Shelf Takedown Notice, the Company shall give written notice of such requested Underwritten Shelf Takedown to all other Holders which have Registrable Securities included on such Shelf Registration (a "**Company Shelf Takedown Notice**") and, subject to the provisions of Section 3(d) below, shall include in such Underwritten Shelf Takedown all Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten (10) Business Days after sending the Company Shelf Takedown Notice.

(d) Priority on Underwritten Shelf Takedowns. The Company shall not include in any Underwritten Shelf Takedown that is not a Piggyback Registration any securities which are not Registrable Securities without the prior written consent of the Holders of a majority of the Registrable Securities requested to be included in such Underwritten Shelf Takedown, *provided* that the Company may include in such Demand Registration shares of its Equity Securities for sale for its own account, subject to the priority provision described below. If the managing underwriters for such Underwritten Shelf Takedown advise the Company and the Holders of Registrable Securities included in the Shelf Takedown in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such Underwritten Shelf Takedown exceeds the number of Registrable Securities and other securities, if any, which can be sold without adversely affecting the marketability, proposed offering price range acceptable to the Holders of a majority of the Registrable Securities requested to be included in such Underwritten Shelf Takedown, timing or method of distribution of the offering, the Company shall include in such Underwritten Shelf Takedown the number of Registrable Securities which can be so sold in the following order of priority: (i) first, the Registrable Securities requested to be included in such Underwritten Shelf Takedown allocated *pro rata* among the respective Holders of such Registrable Securities on the basis of the number of Registrable Securities owned by each such Holder; (ii) second, securities offered by the Company; and (iii) third, other securities requested to be included in such Underwritten Shelf Takedown to the extent permitted hereunder.

(e) Restrictions on Underwritten Shelf Takedowns. The Company shall not be obligated to effect more than two Underwritten Shelf Takedowns during any period of 12 consecutive months and shall not be obligated to effect an Underwritten Shelf Takedown within 60 days after the pricing of a previous Underwritten Shelf Takedown.

(f) Selection of Underwriters. The Holders of a majority of the Registrable Securities initially requesting an Underwritten Shelf Takedown shall have the right to select the managing underwriters to administer the Public Offering (which shall consist of one or more reputable nationally recognized investment banks).

(g) Automatic Shelf Registration. Further, upon the Company becoming a Well-Known Seasoned Issuer, (i) the Company shall give written notice to all of the Holders as promptly as reasonably practicable, and such notice shall describe, in reasonable detail, the basis on which the Company has become a Well-Known Seasoned Issuer, and (ii) the Company shall, as promptly as practicable, register, under an Automatic Shelf Registration Statement, the sale of all of the Registrable Securities in accordance with the terms of this Agreement. The Company shall use commercially reasonable efforts to file such Automatic Shelf Registration Statement as promptly as practicable, but in no event later than 30 days after it becomes a Well-Known Seasoned Issuer, and to cause such Automatic Shelf Registration Statement to remain effective thereafter until there are no longer any Registrable Securities. The Company shall give written notice of filing such Automatic Shelf Registration Statement to all of the Holders as promptly as practicable thereafter. At any time after the filing of an Automatic Shelf Registration Statement by the Company, if the Company is no longer a Well-Known Seasoned Issuer (the

"**Determination Date**"), the Company shall (A) as promptly as practicable, but in no event more than 20 calendar days after such Determination Date, give written notice thereof to all of the Holders and (B) within 30 calendar days after such Determination Date, file a Registration Statement on an appropriate form (or a post-effective amendment converting the Automatic Shelf Registration Statement to an appropriate form) covering all of the Registrable Securities, and use commercially reasonable efforts to have such Registration Statement declared effective as promptly as reasonably practicable after the date the Automatic Shelf Registration Statement is no longer useable by the Holders to sell their Registrable Securities.

4. Piggyback Registration.

(a) Right to Piggyback. Whenever the Company proposes to file a Registration Statement under the Securities Act or conduct a Shelf Takedown with respect to a Public Offering of any class of the Company's Equity Securities (other than a Demand Registration or registrations on Form S-8 or Form S-4, a "**Piggyback Registration**"), the Company shall give prompt written notice to all Holders of Registrable Securities of its intention to effect such Piggyback Registration and (i) in the case of a Piggyback Registration that is a Shelf Takedown, such notice shall be given not less than (A) in the case of a "bought deal," "registered direct offering" or "overnight transaction" (a "**Bought Deal**"), two (2) Business Days; or (B) otherwise, five (5) Business Days, in each case under this clause (i), prior to the expected date of commencement of marketing efforts for such Shelf Takedown; or (ii) in the case of any other Piggyback Registration, such notice shall be given not less than five (5) Business Days after the public filing of such Registration Statement. The Company shall, subject to the provisions of Section 4(b) below, include in such Piggyback Registration, as applicable, all Registrable Securities with respect to which the Company has received written requests for inclusion therein within (x) in the case of a Bought Deal, two (2) Business Days; (y) in the case any other Shelf Takedown, three (3) Business Days; or (z) otherwise, ten (10) Business Days, in each case after the date of the Company's notice; *provided* that the Company may not commence marketing efforts for such Public Offering until after such periods and the inclusion of all such securities requested subject to Section 4(b).

(b) Priority on Piggyback Registrations. For any Piggyback Registration that includes an underwritten Public Offering and the managing underwriters advise the Company in writing that in their reasonable opinion the number of securities requested to be included in such Piggyback Registration exceeds the number of Registrable Securities and other securities, if any, which can be sold without adversely affecting the marketability, proposed offering price range acceptable to the Holders of a majority of the Registrable Securities requested to be included in such Piggyback Registration, timing or method of distribution of the offering, the Company shall include in such Demand Registration the number of Registrable Securities which can be sold without such adverse effect in the following order of priority: (i) *first*, if the Piggyback Registration includes a primary offering of Company securities for the Company's own account, the securities offered by the Company thereby; (ii) *second*, the Registrable Securities requested to be included in such Piggyback Registration by the Holders allocated *pro rata* among the Holders on the basis of the number of Registrable Securities owned by each Holder; and (iii) *third*, other securities requested to be included in such Piggyback Registration, if any.

(c) Selection of Underwriters. For any Piggyback Registration that includes an underwritten Public Offering, the Company will have the sole right to select the underwriters for the Public Offering, each of which shall be a nationally recognized investment bank, reasonably acceptable to the Holders of a majority of Registrable Securities, if any, to be included in such Public Offering, which approval shall not be unreasonably withheld or delayed.

5. Suspensions; Withdrawals

(a) Suspensions. The Company may postpone, for up to 60 days from the date of the Demand Registration Notice, the filing or the effectiveness of a Registration Statement for a Demand Registration or suspend the use of a Prospectus that is part of a Shelf Registration for up to 45 days from the date of the Suspension Notice (as defined below) and therefore suspend sales of Registrable Securities included therein by providing written notice to the Holders if the Company shall have furnished to the Holders a certificate signed by the Chief Executive Officer (or other authorized officer) of the Company stating that the Company's Board of Directors has determined in its reasonable good faith judgment that the offer or sale of Registrable Securities should be suspended; *provided* that the Company may not invoke a delay pursuant to this Section 5(a) more than twice or for more than sixty (60) days in the aggregate, in each case, in any twelve (12) month period. The Company may invoke this Section 5(a) only if the Company's Board of Directors determines in good faith, after consultation with its external advisors or legal counsel, that the offer or sale of Registrable Securities would reasonably be expected to: (i) have a material adverse effect on any proposal or plan by the Company or any of its subsidiaries to engage in any material acquisition of assets or stock (other than in the ordinary course of business) or any material merger, consolidation, tender offer, recapitalization, reorganization or other transaction involving the Company or any of its subsidiaries; or (ii) require premature disclosure of material non-public information that the Company has a bona fide business purpose for preserving as confidential.

(b) In the case of an event that causes the Company to suspend the use of a Registration Statement as set forth in Section 5(a) or 6(a)(vi)(A) (a "**Suspension Event**"), the Company shall give a notice to the Holders of Registrable Securities included in such Registration Statement (a "**Suspension Notice**") to suspend sales of the Registrable Securities and such notice shall state that such suspension shall continue only for so long as the Suspension Event or its effect is continuing. The Company shall not include any material non-public information in the Suspension Notice and or otherwise provide such information to a Holder unless specifically requested by a Holder in writing. A Holder shall not effect any sales of the Registrable Securities pursuant to such Registration Statement (or such filings) at any time after it has received a Suspension Notice from the Company and prior to receipt of an End of Suspension Notice. Holders may recommence effecting sales of the Registrable Securities pursuant to the Registration Statement (or such filings) following further written notice to such effect (an "**End of Suspension Notice**") from the Company, which End of Suspension Notice shall be given by the Company to the Holders and Counsel to the Holders, if any, promptly following the conclusion of any Suspension Event.

(c) Time Extension. Notwithstanding any provision herein to the contrary, if the Company gives a Suspension Notice with respect to any Registration Statement pursuant to this Section 5, the Company agrees that it shall (i) extend the Required Effective Period which

such Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from the date of receipt by the Holders of the Suspension Notice to and including the date of receipt by the Holders of the End of Suspension Notice; and (ii) provide copies of any supplemented or amended prospectus necessary to resume sales, with respect to each Suspension Event; *provided* that such period of time shall not be extended beyond the date that there are no longer Registrable Securities covered by such Registration Statement.

(d) Withdrawal Requests. At any time prior to the effective date of a Registration Statement, the Required Holders may withdraw such demand or request for registration ("**Withdrawal Request**") by providing written notice of such withdrawal to the Company. A Withdrawal Request shall count as one of the permitted Demand Registrations hereunder unless: (i) such withdrawal arose out of the fault of the Company; (ii) in the reasonable judgment of the Required Holders, a Material Adverse Effect has occurred; (iii) a Suspension Notice was delivered to the Holders; or (iv) the managing underwriters advise that the amount of Registrable Securities to be sold in such offering be reduced pursuant to Section 2(d) by more than 25% of the Registrable Securities to be included in such Registration Statement. The Company shall pay all Registration Expenses in connection with any Registration Statement subject to a Withdrawal Request. Any Holder may withdraw its request for inclusion of Registrable Securities in a Registration Statement by giving written notice to the Company of its intention to remove its Registrable Securities from such Registration Statement within two Business Days before the earlier of (i) the expected date of the commencement of marketing efforts for the Public Offering in connection with such Registration Statement or (ii) the effectiveness of the Registration Statement.

6. Company Undertakings.

(a) Whenever Registrable Securities are registered pursuant to this Agreement, the Company shall use commercially reasonable efforts to effect the registration and the sale of such Registrable Securities as soon as reasonably practicable in accordance with the intended method of disposition thereof, and pursuant thereto the Company shall as promptly as reasonably practicable:

(i) prepare and file with the Commission a Registration Statement with regard to such Registrable Securities as soon as reasonably practicable upon receipt of an applicable notice from the Required Holders (unless the Registration Statement would be required pursuant to the rules and regulations of the Securities Act to include any audited or unaudited consolidated or pro forma financial statements that are not then currently available, in which case, promptly after such financial statements are available) and use commercially reasonable efforts to cause such Registration Statement to become effective as soon thereafter as is reasonably practicable;

(ii) before filing a Registration Statement or Prospectus or any amendments or supplements thereto, furnish to the Holders whose Registrable Securities are requested to be included in the Registration Statement copies of all such documents, other than exhibits, documents that are incorporated by reference and such documents that are otherwise publicly available on EDGAR, proposed to be filed and such other documents reasonably requested by such Holders and provide Counsel to the Holders with a reasonable opportunity to review and comment on such documents of no less than three (3) Business Days;

(iii) notify each Holder of the effectiveness of each Registration Statement and prepare and file with the Commission such amendments and supplements to such Registration Statement as may be necessary to keep such Registration Statement effective for a period of not less than (A) 90 days in the case of a Demand Registration that is not a Shelf Registration or (B) in the case of a Shelf Registration, until the date on which all Registrable Securities have been sold pursuant to the Shelf Registration or have otherwise ceased to be Registrable Securities or the maximum length permitted by the Commission (or, in each case, if sooner, until all Registrable Securities have been sold under such Registration Statement), and comply with the provisions of the Securities Act (including by preparing and filing with the Commission any Prospectus or supplement to be used in connection therewith) with respect to the disposition of all securities covered by such Registration Statement during such period in accordance with the intended methods of disposition by the Holders as set forth in such Registration Statement (each such period as applicable, the "**Required Effective Period**");

(iv) furnish to each seller of Registrable Securities, and the managing underwriters, without charge, such number of copies of the applicable Registration Statement, each amendment and supplement thereto, the Prospectus included in such Registration Statement (including each preliminary Prospectus, final Prospectus, and any other Prospectus (including any Prospectus filed under Rule 424, Rule 430A or Rule 430B promulgated under the Securities Act and any Issuer Free Writing Prospectus)), all exhibits and other documents filed therewith and such other documents as such seller or such managing underwriters may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller, and upon request, a copy of any and all transmittal letters or other correspondence to or received from, the Commission or any other governmental authority relating to such offer;

(v) (A) to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests in writing, (B) keep such registration or qualification in effect for so long as such Registration Statement remains in effect, and (C) to do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (*provided* that the Company shall not be required to (x) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subsection, (y) subject itself to taxation in any such jurisdiction or (z) consent to general service of process in any such jurisdiction);

(vi) notify each seller of such Registrable Securities, the managing underwriters and Counsel to the Holders (A) at any time when a Prospectus relating to the applicable Registration Statement is required to be delivered under the Securities Act, (1) upon discovery that, or upon the happening of any event as a result of which, such Registration Statement, or the Prospectus or Issuer Free Writing Prospectus relating to such Registration Statement, or any document incorporated or deemed to be incorporated therein by reference contains an untrue statement of a material fact or omits any material fact necessary to make the statements in the Registration Statement or the Prospectus or Issuer Free Writing Prospectus relating thereto not misleading or otherwise requires the making of any changes in such

Registration Statement, Prospectus, Issuer Free Writing Prospectus or document, and, at the request of any such seller, the Company shall promptly prepare a supplement or amendment to such Prospectus or Issuer Free Writing Prospectus, furnish a reasonable number of copies of such supplement or amendment to each seller of such Registrable Securities, Counsel to the Holders and the managing underwriters and file such supplement or amendment with the Commission so that, as thereafter delivered to the purchasers of such Registrable Securities, such Prospectus or Issuer Free Writing Prospectus as so amended or supplemented shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading, (2) as soon as the Company becomes aware of any comments or inquiries by the Commission or any requests by the Commission or any Federal or state governmental authority for amendments or supplements to a Registration Statement or related Prospectus or Issuer Free Writing Prospectus covering Registrable Securities or for additional information relating thereto, (3) as soon as the Company becomes aware of the issuance or threatened issuance by the Commission of any stop order suspending or threatening to suspend the effectiveness of a Registration Statement covering the Registrable Securities or (4) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any Registrable Security for sale in any jurisdiction, or the initiation or threatening of any proceeding for such purpose; and (B) when each Registration Statement or any amendment thereto has been filed with the Commission and when each Registration Statement or the related Prospectus or Issuer Free Writing Prospectus or any Prospectus supplement or any post-effective amendment thereto has become effective;

(vii) use commercially reasonable efforts to cause all such Registrable Securities (A) if such Registrable Security is then listed on a National Securities Exchange or included for quotation in a recognized trading market, to continue to be so listed or included, (B) if the Registrable Securities are to be distributed in an underwritten Public Offering and the New Common Stock is not then listed on a National Securities Exchange or included for quotation in a recognized trading market, to, as promptly as practicable (subject to the limitations set forth in the Plan), be listed on a National Securities Exchange within 60 calendar days, provided such listing is then permitted under the rules of such National Securities Exchange, and (C) to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the sellers thereof to consummate the disposition of the Registrable Securities;

(viii) provide and cause to be maintained a transfer agent and registrar for all such Registrable Securities from and after the effective date of the applicable Registration Statement;

(ix) in connection with any underwritten Public Offering (including an Underwritten Shelf Takedown):

(A) enter into and perform under such customary agreements (including underwriting agreements in customary form, including customary representations and warranties and provisions with respect to indemnification and contribution) and take all such other actions as the Holders of a majority of the Registrable Securities being sold or the underwriters, if any, reasonably request in order to expedite

or facilitate the disposition of such Registrable Securities (including effecting a stock split, a combination of shares, or other recapitalization) and provide reasonable cooperation, including causing appropriate officers to attend and participate in "road shows" and analyst or investor presentations and such other selling or other informational meetings organized by the underwriters, if any (taking into account the needs of the Company's businesses and the responsibilities of such officers with respect thereto and the requirement of the marketing process);

(B) use commercially reasonable efforts to obtain and cause to be furnished to each such Holder included in such underwritten Public Offering and the managing underwriters a signed counterpart of (i) one or more comfort letters from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by comfort letters and (ii) a legal opinion (and negative assurance letter) of counsel to the Company addressed to the relevant underwriters and/or such Holders of Registrable Securities, in each case in customary form and covering such matters of the type customarily covered by such letters as the managing underwriters and/or Holders of a majority of the Registrable Securities included in such underwritten Public Offering reasonably request;

(x) upon reasonable notice and at reasonable times during normal business hours, make available for inspection by any Holder covered by the applicable Registration Statement, Counsel to the Holders, any underwriter participating in any disposition pursuant to such registration, as applicable, and any other attorney or accountant retained by such Holder or underwriter, all financial and other records and pertinent corporate documents of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such Holder, underwriter, attorney or accountant in connection with such Registration Statement or Shelf Takedown, as applicable, and make themselves available at mutually convenient times to discuss the business of the Company and other matters reasonably requested by any such Holders, sellers, underwriter or agent thereof in connection with such Registration Statement as shall be necessary (subject to the Company's compliance with Regulation FD) to enable them to exercise their due diligence responsibility, as applicable (any information provided under this Section 6(a)(x), "**Due Diligence Information**"); *provided* that the Company shall not provide any Due Diligence Information to a Holder unless such Holder explicitly requests such Due Diligence Information in writing.

(xi) permit any Holder which in its reasonable judgment might be deemed to be an Affiliate of the Company, Counsel to the Holders, any underwriter participating in any disposition pursuant to a Registration Statement, and any other attorney, accountant or other agent retained by such Holder or underwriter, to participate (including, but not limited to, reviewing, commenting on and attending all meetings) in the preparation of such Registration Statement and any Prospectus supplements relating to a Shelf Takedown, if applicable;

(xii) in the event of the issuance or threatened issuance of any stop order suspending the effectiveness of a Registration Statement, or of any order suspending or preventing the use of any related Prospectus or suspending the qualification of any Registrable Security included in such Registration Statement for sale in any jurisdiction, the Company shall use commercially reasonable efforts to (A) prevent the issuance of any such stop order, and in the event of such issuance, to obtain the withdrawal of such order and (B) obtain the withdrawal of any order suspending or preventing the use of any related Prospectus or Issuer Free Writing Prospectus or suspending qualification of any Registrable Securities included in such Registration Statement for sale in any jurisdiction at the earliest practicable date;

(xiii) provide a CUSIP number for the Registrable Securities prior to the effective date of the first Registration Statement including Registrable Securities;

(xiv) promptly notify in writing the participating Holders, the sales or placement agent, if any, therefor and the managing underwriters of the securities being sold: (A) when such Registration Statement or related Prospectus or Free Writing Prospectus or any Prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to any such Registration Statement or any post-effective amendment, when the same has become effective; and (B) of any written comments by the Commission and by the blue sky or securities commissioner or regulator of any state with respect thereto;

(xv) (A) prepare and file with the Commission such amendments and supplements to each Registration Statement as may be necessary to comply with the provisions of the Securities Act, including post effective amendments to each Registration Statement as may be necessary to keep such Registration Statement continuously effective for the applicable time period required hereunder and, if applicable, file any Registration Statements pursuant to Rule 462(b) promulgated under the Securities Act; (B) cause the related Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provisions then in force) promulgated under the Securities Act; (C) comply with the provisions of the Securities Act and the Exchange Act and any applicable securities exchange or other recognized trading market, as applicable, with respect to the disposition of all securities covered by such Registration Statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such Registration Statement as so amended or in such Prospectus as so supplemented; and (D) provide additional information related to each Registration Statement as requested by, and obtain any required approval necessary from, the Commission or any Federal or state governmental authority;

(xvi) cooperate with each Holder and each underwriter, if any, participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA;

(xvii) within the deadlines specified by the Securities Act, make all required filing fee payments in respect of any Registration Statement or Prospectus used under this Agreement (and any Public Offering covered thereby);

(xviii) if requested by any participating Holder or the managing underwriters, promptly include in a Prospectus supplement or amendment such information as the Holder or managing underwriters may reasonably request, including in order to permit the intended method of distribution of such securities, and make all required filings of such Prospectus supplement or such amendment as soon as reasonably practicable after the Company has received such request;

(xix) in the case of certificated Registrable Securities, cooperate with the participating Holders of Registrable Securities and the managing underwriters to facilitate the timely preparation and delivery of certificates (not bearing any legends) representing Registrable Securities to be sold after receiving written representations from each participating Holder that the Registrable Securities represented by the certificates so delivered by such Holder will be transferred in accordance with the Registration Statement, and enable such Registrable Securities to be in such denominations and registered in such names as the Holders or managing underwriters may reasonably request at least two Business Days prior to any sale of Registrable Securities; *provided* that nothing in this Agreement shall require the Company to issue securities in certificated form unless such securities are already in certificated form; and

(xx) use commercially reasonable efforts to take all other actions deemed necessary or advisable in the reasonable judgment of the Company to effect the registration and sale of the Registrable Securities contemplated hereby.

(b) The Company shall hold in confidence and not make any disclosure of information concerning a Holder provided to the Company unless (i) disclosure of such information is necessary to comply with federal or state securities laws, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement, (iii) the release of such information is ordered pursuant to a subpoena or other final, non-appealable order from a court or governmental body of competent jurisdiction, or (iv) such information has been made generally available to the public other than by disclosure in violation of this Agreement or any other agreement. The Company agrees that it shall, upon learning that disclosure of such information concerning a Holder is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt written notice to such Holder and allow such Holder, at the Holder's expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

(c) As of the date hereof and except as provided pursuant to the Plan, the Company represents and warrants that it is not a party to, or otherwise subject to, any other agreement granting registration rights to any other Person with respect to any securities of the Company, including securities convertible, exercisable or exchangeable into or for shares of any Equity Securities of the Company.

(d) With a view to making available certain rules and regulations of the Commission that may permit the sale of the Registrable Securities to the public without registration, until such date as no Holder owns any Registrable Securities, the Company agrees to:

(i) use commercially reasonable efforts to continue to file in a timely manner all reports and other documents required, if any, to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted thereunder;

(ii) make available information necessary to comply with Section 4(a)(7) under the Securities Act and Rule 144, Rule 144A and Regulation S promulgated under the Securities Act, if available, with respect to resales of the Registrable Securities under the Securities Act, at all times, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Section 4(a)(7), Rule 144, Rule 144A and Regulation S promulgated under the Securities Act, as may be amended from time to time, or any other similar rules or regulations now existing or hereafter adopted by the Commission; and

(iii) upon the reasonable written request of any Holder, the Company will deliver to such Holder a written statement as to whether the Company has complied with such information requirements, and, if not, the specific reasons for non-compliance.

(e) The Company agrees that nothing in this Agreement shall prohibit the Holders, at any time and from time to time, from selling or otherwise transferring Registrable Securities pursuant to a private placement or other transaction which is not registered pursuant to the Securities Act. To the extent reasonably requested by a Holder and the total price of the Registrable Securities to be sold or transferred in such sale or transfer is reasonably expected to exceed $25 million, the Company shall assist and cooperate with such Holder to facilitate such sale or transfer by providing Due Diligence Information to potential purchasers consistent with Section 6(a)(x).

7. Holder Undertakings

(a) Free Writing Prospectuses. Each Holder represents that it has not prepared or had prepared on its behalf or used or referred to, and agrees that it will not prepare or have prepared on its behalf or used or refer to, any Free Writing Prospectus, and has not distributed and will not distribute any written materials in connection with the offer or sale of Registrable Securities without the prior written consent of the Company and, in connection with any underwritten Public Offering, the underwriters. Any such Free Writing Prospectus consented to by the Company and the underwriters, as the case may be, is hereinafter referred to as a "**Permitted Free Writing Prospectus**." The Company represents and agrees that it has treated and will treat, as the case may be, each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus, including in respect of timely filing with the Commission, legending and record keeping.

(b) Information for Inclusion. Each selling Holder that has requested inclusion of its Registrable Securities in any Registration Statement shall furnish to the Company such information regarding such Holder and its plan and method of distribution of such Registrable Securities as the Company may, from time to time, reasonably request in writing. The Company may refuse to proceed with the registration of such Holder's Registrable Securities if such Holder unreasonably fails to furnish such information within a reasonable time after receiving such request.

(c) Underwritten Public Offering Participation. No Person may participate in any underwritten Public Offering hereunder unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements in customary form entered into pursuant to this Agreement and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements; *provided* that no Holder included in any underwritten Public Offering shall be required to make any representations or warranties to the Company or the underwriters (other than (A) representations and warranties regarding (1) such Holder's ownership of its Registrable Securities to be sold or transferred, (2) such Holder's power and authority to effect such transfer, and (3) such matters pertaining to compliance with securities laws as may be reasonably requested by the Company or the underwriters, and (B) such other representations, warranties and other provisions relating to such Holder's participation in such Public Offering as may be reasonably requested by the underwriters) or to undertake any indemnification obligations to the Company with respect thereto, except as otherwise provided in Section 10(b) hereof, or to the underwriters with respect thereto, except to the extent of the indemnification being given to the underwriters and their controlling Persons in Section 10(b) hereof.

(d) Price and Underwriting Discounts. In the case of an underwritten Demand Registration or Underwritten Shelf Takedown requested by Holders pursuant to this Agreement, the price, underwriting discount and other financial terms of the related underwriting agreement for the Registrable Securities shall be determined by the Holders representing a majority of the Registrable Securities included in such underwritten Public Offering.

(e) Notice Opt-In and Opt-Out. Notwithstanding anything to the contrary in this Agreement, until a Holder makes an affirmative written election, the Company shall not be required to and shall not deliver any notice or any information to such Holder that would reasonably be expected to constitute material non-public information, including any applicable notices or other information under this Agreement. Upon receipt of written election to receive such notices or information (an "**Opt-In Election**") the Company shall be required to and shall provide to the Holder all applicable notices or information pursuant to this Agreement from the date of such Opt-In Election. At any time following a Holder making an Opt-In Election, such Holder may also make a written election to no longer receive any such notices or information (an "**Opt-Out Election**"), which election shall cancel any previous Opt-In Election, and, following receipt of such Opt-Out Election, the Company shall not be required to, and shall not, deliver any such notice or information to such Holder from the date of such Opt-Out Election. An Opt-Out Election may state a date on which it expires or, if no such date is specified, shall remain in effect indefinitely. A Holder who previously has given the Company an Opt-In Election or Opt-Out Election may revoke such election at any time, and there shall be no limit on the ability of a Holder to issue and revoke subsequent Opt-In Elections and Opt-Out Elections.

8. Registration Expenses.

(a) Expenses. All fees and expenses incurred by the Company in connection with this Agreement ("**Registration Expenses**") will be borne by the Company. These fees and expenses will include without limitation (i) stock exchange, Commission, FINRA and other registration and filing fees, (ii) all fees and expenses incurred in connection with complying with

any securities or blue sky laws (including reasonable fees, charges and disbursements of counsel in connection with blue sky qualifications of the Registrable Securities), (iii) all printing, messenger and delivery expenses, (iv) the fees, charges and disbursements of counsel to the Company and of its independent public accountants and any other accounting and legal fees, charges and expenses incurred by the Company (including any expenses arising from any special audits or "comfort letters" required in connection with or incident to any registration) and other Persons retained by the Company, and (v) the fees and expenses incurred in connection with the listing of the Registrable Securities on a National Securities Exchange.

(b) Reimbursement of Counsel. The Company will also reimburse or pay, as the case may be, the Holders of Registrable Securities included in such registration for the reasonable fees and out-of-pocket expenses of the Counsel to the Holders relating to or in connection with any action taken pursuant to this Agreement within 30 calendar days of presentation of an invoice approved by such Holders and disbursements of each additional counsel retained by any Holder for the purpose of rendering a legal opinion on behalf of such Holder in connection with any underwritten Public Offering if the managing underwriters of such Public Offering or the Company reasonably request such legal opinion and Counsel to the Holders cannot reasonably provide such legal opinion due to legal jurisdiction or otherwise.

9. Lock-Up Agreements.

(a) Lock-Up Agreements. If required by the Holders of a majority of the Registrable Securities participating in an underwritten Public Offering and requested by the managing underwriters of such Public Offering, each of the Holders participating in such Public Offering shall enter into a lock-up agreement with the managing underwriters of such Public Offering to not make any sale or other disposition of any of the Company's Equity Securities owned by such Holder (a "**Lock-Up Agreement**"), such agreement to be in customary form and substance with customary exceptions; *provided* that all executive officers and directors of the Company and the Holders requesting such Lock-Up Agreements are bound by and have entered into substantially similar Lock-Up Agreements; *provided further* the foregoing provisions shall only be applicable to the Holders if all stockholders, officers and directors are treated similarly with respect to any release prior to the termination of the lock-up period such that if any such persons are released, then all Holders shall also be released to the same extent on a *pro rata* basis. The Company may impose stop-transfer instructions with respect to the shares of Registrable Securities (or other securities) subject to the restrictions set forth in this Section 9(a) until the end of the applicable period of the Lock-Up Agreement. The provisions of this Section 9(a) shall cease to apply to such Holder once such Holder no longer beneficially owns any Registrable Securities.

(b) Company Lock-Up. In connection with any underwritten Public Offering, and upon the reasonable request of the managing underwriters, the Company shall: (i) agree to a customary lock-up provision applicable to the Company in an underwriting agreement as reasonably requested by the managing underwriters; and (ii) cause each of its executive officers and directors to enter into Lock-Up Agreements, in each case, in customary form and substance, and with exceptions that are customary, for an underwritten Public Offering.

10. Indemnification; Contribution.

(a) Indemnification by the Company. The Company agrees to indemnify and hold harmless each Holder registered pursuant to this Agreement, such Holder's Affiliates, directors, officers, employees, members, managers, agents and any Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act), and any underwriter that facilitates the sale of the Registrable Securities and any Person who controls such underwriter (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities and expenses ("**Losses**") to which they or any of them may become subject insofar as such Losses arise out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement pursuant to which Registrable Securities were registered, Prospectus, preliminary prospectus, any road show, as defined in Rule 433(h)(4) under the Securities Act a ("**road show**"), or Issuer Free Writing Prospectus included in any such Registration Statement, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in the case of any Prospectus, preliminary prospectus, road show or Issuer Free Writing Prospectus, in light of the circumstances under which they were made, to make the statements therein not misleading and the Company agrees to reimburse each such indemnified party for any reasonable legal or other reasonable out-of-pocket expenses incurred by them in connection with investigating or defending any such Losses (whether or not the indemnified party is a party to any proceeding); *provided*, *however*, that the Company will not be liable in any case to the extent that any such Loss arises out of or is based upon any such untrue or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company by or on behalf of any such Holder specifically for inclusion therein, including, without limitation, any notice and questionnaire. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(b) Indemnification by the Holders. Each Holder severally (and not jointly) agrees to indemnify and hold harmless the Company and each of its Affiliates, directors, employees, members, managers, agents and each Person who controls the Company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act), and any underwriter that facilitates the sale of Registrable Securities and any Person who controls such underwriter (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) to the fullest extent permitted by applicable law, from and against any and all Losses to which they or any of them may become subject insofar as such Losses arise out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement pursuant to which Registrable Securities were registered, Prospectus, preliminary prospectus, road show, Issuer Free Writing Prospectus included in any such Registration Statement, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in the case of any Prospectus, preliminary prospectus, road show, Issuer Free Writing Prospectus, in light of the circumstances under which they were made, to make the statements therein not misleading, to the extent, but only to the extent, that any such untrue statement or alleged untrue statement or omission or alleged omission is contained in any written information furnished to the Company by or on behalf of such Holder specifically for inclusion

therein; *provided*, *however*, that the maximum amount to be indemnified by such Holder pursuant to this Section 10(b) shall be limited to the net proceeds (after deducting underwriters' discounts and commissions) received by such Holder in the Public Offering to which such Registration Statement, Prospectus, preliminary prospectus, road show or Issuer Free Writing Prospectus relates; *provided*, *further*, that a Holder shall not be liable in any case to the extent that prior to the filing of any such Registration Statement, Prospectus, preliminary prospectus, road show or Issuer Free Writing Prospectus or any amendment thereof or supplement thereto, each Holder has furnished in writing to the Company, information expressly for use in, and within a reasonable period of time prior to the effectiveness of such Registration Statement or the use of the Prospectus, preliminary prospectus, road show or Issuer Free Writing Prospectus, or any amendment thereof or supplement thereto which corrected or made not misleading information previously provided to the Company. This indemnity agreement will be in addition to any liability which any such Holder may otherwise have.

(c) Conduct of Indemnification Proceedings. Promptly after receipt by an indemnified party under this Section 10 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 10(c), notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under Section 10(a) or Section 10(b) above unless and to the extent such action and such failure results in material prejudice to the indemnifying party and forfeiture by the indemnifying party of substantial rights and defenses; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in Section 10(a) or Section 10(b) above. The indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, except as provided in the next sentence, after notice from the indemnifying party to such indemnified party of its election to so assume the defense thereof, the indemnifying party shall not be liable to such indemnified party for any legal expenses of other counsel or any other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. Notwithstanding the indemnifying party's rights in the prior sentence, the indemnified party shall have the right to employ its own counsel (and one local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if:

(i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with an actual or potential conflict of interest;

(ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party;

(iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or

(iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party.

No indemnifying party shall, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general circumstances or allegations, be liable for the fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) for all indemnified parties. An indemnifying party shall not be liable under this Section 10(c) to any indemnified party regarding any settlement or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent is consented to by such indemnifying party, which consent shall not be unreasonably withheld. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of each indemnified party (which consent shall not be unreasonably withheld), consent to entry of any judgment or enter into any settlement or compromise unless such settlement or compromise (x) includes as an unconditional term thereof the giving by the claimant or plaintiff therein, to such indemnified party, of a full and final release from all liability in respect to such claim or litigation and (y) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of such indemnified party.

(d) Contribution.

(i) In the event that the indemnity provided in Section 10(a) or Section 10(b) above is unavailable to or insufficient to hold harmless an indemnified party for any reason, then each applicable indemnifying party agrees to contribute to the aggregate Losses (including reasonable legal or other reasonable out-of-pocket expenses incurred in connection with investigating or defending same) to which such indemnifying party may be subject in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party on the one hand and by the indemnified party on the other from the Public Offering of the Registrable Securities; *provided*, *however*, that the maximum amount of liability in respect of such contribution shall be limited in the case of any Holder to the net proceeds (after deducting underwriters' discounts and commissions) received by such Holder in connection with such registration. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the indemnifying party on the one hand and the indemnified party on the other in connection with the statements or omissions which resulted in such Losses, as well as any other relevant equitable considerations. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party on the one hand or the indemnified party on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(ii) The parties agree that it would not be just and equitable if contribution pursuant to this Section 10(d) were determined by *pro rata* allocation (even if the Holders of Registrable Securities or any agents or underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 10(d). The amount paid or payable by an indemnified party as a result of the Losses referred to above in this Section 10(d) shall be deemed to include any reasonable legal or other reasonable out-of-pocket expenses incurred by such indemnified party in connection with investigating or defending any such action or claim.

(iii) Notwithstanding the provisions of this Section 10(d), no Person guilty of fraudulent misrepresentation (within the meaning of Section 10(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(iv) For purposes of this Section 10, each Person who controls any Holder, agent or underwriter (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and each director, officer, employee and agent of any such Holder, agent or underwriter shall have the same rights to contribution as such Holder, agent or underwriter, and each Person who controls the Company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and each officer and director of the Company shall have the same rights to contribution as the Company, subject in each case to the applicable terms and conditions of this Section 10(d).

(e) The provisions of this Section 10 will remain in full force and effect, regardless of any investigation made by or on behalf of any Holder or the Company or any of the officers, directors or controlling Persons referred to in this Section 10 hereof, and will survive the transfer of Registrable Securities.

11. Transfer of Registration Rights.

The rights of a Holder hereunder may be transferred, assigned, or otherwise conveyed on a *pro rata* basis in connection with any transfer, assignment, or other conveyance of Registrable Securities to any transferee or assignee; *provided* that all of the following additional conditions are satisfied with respect to any transfer, assignment or conveyance of rights hereunder: (a) such transfer or assignment is effected in accordance with applicable securities laws; (b) such transferee or assignee agrees in writing to become subject to the terms of this Agreement by executing and delivering to the Company a Joinder; and (c) the Company is given written notice by such Holder within 15 Business Days of such transfer or assignment, stating the name and address of the transferee or assignee, identifying the Registrable Securities with respect to which such rights are being transferred or assigned and the total number of Registrable Securities and other Equity Securities of the Company beneficially owned by such transferee or assignee.

12. Amendment, Modification and Waivers; Further Assurances.

(a) Amendment. This Agreement may be amended, modified, superseded, cancelled, renewed or extended, and the terms and conditions of this Agreement may be waived, only by a written instrument, (a) signed by (i) the Company, and (ii) the Holders of at least a majority of the Registrable Securities; *provided*, that no provision of this Agreement shall be modified or amended in a manner that is disproportionately and materially adverse to any Holder, without the prior written consent of such Holder, as applicable, or (b) in the case of a waiver, by the party hereto waiving compliance.

(b) Changes in New Preferred Stock or New Common Stock. If, and as often as, there are any changes in the New Preferred Stock or New Common Stock by way of stock split, stock dividend, combination or reclassification, or through merger, consolidation, reorganization or recapitalization, or by any other means, appropriate adjustment shall be made in the provisions hereof as may be required so that the rights and privileges granted hereby shall continue with respect to the Registrable Securities as so changed and the Company shall make appropriate provision in connection with any merger, consolidation, reorganization or recapitalization that any successor to the Company (or resulting parent thereof) shall agree, as a condition to the consummation of any such transaction, to expressly assume the Company's obligations hereunder.

(c) Effect of Waiver. No waiver of any terms or conditions of this Agreement shall operate as a waiver of any other breach of such terms and conditions or any other term or condition, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision hereof. No written waiver hereunder, unless it by its own terms explicitly provides to the contrary, shall be construed to effect a continuing waiver of the provisions being waived and no such waiver in any instance shall constitute a waiver in any other instance or for any other purpose or impair the right of the party against whom such waiver is claimed in all other instances or for all other purposes to require full compliance with such provision. The failure of any party to enforce any provision of this Agreement shall not be construed as a waiver of such provision and shall not affect the right of such party thereafter to enforce each provision of this Agreement in accordance with its terms.

(d) Further Assurances. Each of the parties hereto shall execute all such further instruments and documents and take all such further action as any other party hereto may reasonably require in order to effectuate the terms and purposes of this Agreement.

13. Miscellaneous.

(a) Successors and Assigns. All covenants and agreements in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto (including any trustee in bankruptcy) whether so expressed or not. In addition, whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of purchasers or Holders of Registrable Securities are also for the benefit of, and enforceable by, any subsequent Holder. No assignment or delegation of this Agreement by the Company, or any of the Company's rights, interests or
obligations hereunder, shall be effective against any Holder without the prior written consent of such Holder.

(b) Remedies; Specific Performance. Any Person having rights under any provision of this Agreement shall be entitled to enforce such rights specifically, to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor; *provided* that the liability of the Holders shall be several and not joint. The parties hereto agree and acknowledge that money damages would not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief (without posting any bond or other security) in order to enforce or prevent violation of the provisions of this Agreement and shall not be required to prove irreparable injury to such party or that such party does not have an adequate remedy at law with respect to any breach of this Agreement (each of which elements the parties admit). The parties hereto further agree and acknowledge that each and every obligation applicable to it contained in this Agreement shall be specifically enforceable against it and hereby waives and agrees not to assert any defenses against an action for specific performance of their respective obligations hereunder. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies available under this Agreement or otherwise.

(c) Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when (i) delivered personally to the recipient, (ii) e-mailed or sent by facsimile to the recipient, or (iii) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid). Such notices, demands and other communications shall be sent to the Company at the address set forth below and to any Holder at the address set forth on the signature page hereto (with copies sent at the address set forth below), or at such address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party.

The Company’s address is:

Berry Petroleum Corporation
5201 Truxtun Avenue, Suite 100
Bakersfield, CA 93309
Attention: Steve B. Wilson
E-mail: sbw@bry.com

with copies to:

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201
Attention: Head of M&A/Securities Practice Group
Facsimile: (214) 855-8200

Copies of notices to the Holders shall be sent to:

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201
Attention: Head of M&A/Securities Practice Group
Facsimile: (214) 855-8200

If any time period for giving notice or taking action hereunder expires on a day which is a Saturday, Sunday or legal holiday in the State of New York or the jurisdiction in which the Company's principal office is located, the time period shall automatically be extended to the Business Day immediately following such Saturday, Sunday or legal holiday.

(d) No Inconsistent Agreements. The Company shall not hereafter enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the Holders of Registrable Securities in this Agreement.

(e) Adjustments Affecting Registrable Securities. The Company shall not take any action, or permit any change to occur, with respect to its securities which would materially and adversely affect the ability of the Holders of Registrable Securities to include such Registrable Securities in a registration undertaken pursuant to this Agreement or which would materially and adversely affect the marketability of such Registrable Securities in any such registration (including effecting a stock split or a combination of shares).

(f) Counterparts. This Agreement may be executed in one or more counterparts, and may be delivered by means of facsimile or electronic transmission in portable document format ("**pdf**"), each of which shall be deemed to be an original and shall be binding upon the party who executed the same, but all of such counterparts shall constitute the same agreement.

(g) Descriptive Headings; Interpretation; No Strict Construction. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns, pronouns, and verbs shall include the plural and vice versa. Reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and, if applicable, hereof. The words "include," "includes" or "including" in this Agreement shall be deemed to be followed by "without limitation." The use of the words "or," "either" or "any" shall not be exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. All references to laws, rules, regulations and forms in this Agreement shall be deemed to be references to such laws, rules, regulations and forms, as amended from time to time or, to the extent replaced, the comparable successor thereto in effect at the time. All references to agencies, self-regulatory organizations or governmental entities in this Agreement shall be deemed to be references to the comparable successors thereto from time to time.

(h) Delivery by Facsimile and Electronic Means. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or other electronic means, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

(i) Arm's Length Agreement. Each of the parties to this Agreement agrees and acknowledges that this Agreement has been negotiated in good faith, at arm's length, and not by any means prohibited by law.

(j) Sophisticated Parties; Advice of Counsel. Each of the parties to this Agreement specifically acknowledges that (i) it is a knowledgeable, informed, sophisticated Person capable of understanding and evaluating the provisions set forth in this Agreement and (ii) it has been fully advised and represented by legal counsel of its own independent selection and has relied wholly upon its independent judgment and the advice of such counsel in negotiating and entering into this Agreement.

(k) Governing Law. This Agreement and the exhibits, attachments and annexes hereto shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of New York or any other jurisdiction) to the extent such rules or provisions would cause the application of the laws of any jurisdiction other than the State of New York.

(l) Submission to Jurisdiction. Any action, suit or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby must be brought in the United States District Court for the in the Southern District of New York or any New York state court, in each case, located in the Borough of Manhattan, and each party consents to the exclusive jurisdiction and venue of such courts (and of the appropriate appellate courts therefrom) in any such action, suit or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such, action, suit or proceeding in any such court or that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

(m) Waiver of Jury Trial. Each of the parties to this Agreement hereby agrees to waive its respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement,

including contract claims, tort claims and all other common law and statutory claims. Each party hereto acknowledges that this waiver is a material inducement to enter into this Agreement, that each has already relied on this waiver in entering into this Agreement and that each will continue to rely on this waiver in their related future dealings. Each party hereto further warrants and represents that it has reviewed this waiver with its legal counsel and that it knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 13(m) AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

(n) Complete Agreement. This Agreement and any certificates, documents, instruments and writings that are delivered pursuant hereto, represent the complete agreement among the parties hereto as to all matters covered hereby, and supersedes any prior agreements or understandings among the parties.

(o) Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

(p) Termination. This Agreement shall terminate and be of no further force or effect when there shall no longer be any Registrable Securities outstanding; *provided*, that the provisions of Sections 6(b), 7(e), 8, 10, 11, 12 and 13 shall survive any such termination; *provided further* that any Holder may elect to terminate its obligations under this Agreement by giving the Company written notice thereof subject to the survival of the foregoing provisions; *provided further* that this Agreement shall automatically terminate with respect to a Holder that no longer holds any Registrable Securities.

(q) Independent Agreement by the Holders. The obligations of each Holder hereunder are several and not joint with the obligations of any other Holder, and no provision of this Agreement is intended to confer any obligations on any Holder vis-à-vis any other Holder. Nothing contained herein, and no action taken by any Holder pursuant hereto, shall be deemed to constitute the Holders as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Holders are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated herein.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

BERRY PETROLEUM CORPORATION

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: Chief Executive Officer

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **BENEFIT STREET PARTNERS, L.L.C.**

By: /s/ Brent Buckley
Name: Brent Buckley
Title:

Address:

Telephone:

Fax No.:

E-mail:

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **BENEFIT STREET PARTNERS, L.L.C.**

By: Brent Buckley
Name:
Title:

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **OAKTREE CAPITAL MANAGEMENT, L.P., as agent and on behalf of certain investment funds and accounts (or an entity owned by such funds and accounts) managed by its subsidiaries and/or affiliates**

By: /s/ Kenneth Liang
Name: Kenneth Liang
Title: Managing Director

By: /s/ Kaj Vazales
Name: Kaj Vazales
Title: Managing Director

Address:
383 S. Grand Ave., 28th Floor
Los Angeles, CA 90071

Telephone: 213-830-6450

Fax No.: 213-830-6495

E-mail: kvazales@oaktreecapital.com

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **OAKTREE CAPITAL MANAGEMENT, L.P., as agent and on behalf of certain investment funds and accounts (or an entity owned by such funds and accounts) managed by its subsidiaries and/or affiliates**

By: /s/ Kenneth Liang
Name: Kenneth Liang
Title: Managing Director

By: /s/ Kaj Vazales
Name: Kaj Vazales
Title: Managing Director

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **CVI AA LUX SECURITIES SARL**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: /s/ Jeremiah E. Keefe
Name: Jeremiah E. Keefe
Title: Authorized Signer

Address:
CarVal Investors, LLC
1095 Avenues of the Americas, 32nd Floor
New York, NY 10036

Telephone: 212-457-0155

Fax No.: 212-302-9453

E-mail: Jerry.Keefe@carval.com

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **CVI AA LUX SECURITIES SARL**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: _____
Name:
Title:

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **CVI CVF III LUX SECURITIES**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: /s/ Jeremiah E. Keefe
Name: Jeremiah E. Keefe
Title: Authorized Signer

Address:
CarVal Investors, LLC
1095 Avenues of the Americas, 32nd Floor
New York, NY 10036

Telephone: 212-457-0155

Fax No.: 212-302-9453

E-mail: Jerry.Keefe@carval.com

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **CVI CVF III LUX SECURITIES**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **CARVAL GCF LUX SECURITIES SARL**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: /s/ Jeremiah E. Keefe
Name: Jeremiah E. Keefe
Title: Authorized Signer

Address:
CarVal Investors, LLC
1095 Avenues of the Americas, 32nd Floor
New York, NY 10036

Telephone: 212-457-0155

Fax No.: 212-302-9453

E-mail: Jerry.Keefe@carval.com

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **CARVAL GCF LUX SECURITIES SARL**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: _____
Name:
Title:

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **CVIC LUX SECURITIES TRADING SARL**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: /s/ Jeremiah E. Keefe
Name: Jeremiah E. Keefe
Title: Authorized Signer

Address:
CarVal Investors, LLC
1095 Avenues of the Americas, 32nd Floor
New York, NY 10036

Telephone: 212-457-0155

Fax No.: 212-302-9453

E-mail: Jerry.Keefe@carval.com

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **CVIC LUX SECURITIES TRADING SARL**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: _____
Name:
Title:

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **MARATHON ASSET MANAGEMENT LP, by and on behalf of certain of its and its affiliates' managed funds and/or accounts**

By: /s/ Peter Coppa
Name: Peter Coppa
Title: Authorized Signatory

Address:
One Bryant Park, 38th Floor
New York, NY 10036

Telephone: 212-500-3028

Fax No.: _____

E-mail: pcoppa@marathonfund.com

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **MARATHON ASSET MANAGEMENT LP, by and on behalf of certain of its and its affiliates' managed funds and/or accounts**

By: _____
Name:
Title:

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **GOLDMAN SACHS ASSET MANAGEMENT, L.P., on behalf of certain of its funds and accounts**

By: /s/ Ken Topping
Name: Ken Topping
Title: Managing Director

Address:

Telephone:

Fax No.:

E-mail:

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **GOLDMAN SACHS ASSET MANAGEMENT, L.P., on behalf of certain of its funds and accounts**

By:
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **MATLINPATTERSON GLOBAL OPPORTUNITIES MASTER FUND L.P.**

By: MatlinPatterson Global Advisers LLC as Advisor for MatlinPatterson Global Opportunities Master Fund L.P.

By: /s/ Michael Lipsky
Name: Michael Lipsky
Title: Senior Portfolio Manager

Address:
520 Madison Ave., 35th Floor
New York, NY 10022

Telephone: 212-651-4270

Fax No.: 212-651-4011

E-mail: ops@matlinpatterson.com

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☒ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **MATLINPATTERSON GLOBAL OPPORTUNITIES MASTER FUND L.P.**

By: MatlinPatterson Global Advisers LLC as Advisor for MatlinPatterson Global Opportunities Master Fund L.P.

By: /s/ Michael Lipsky
Name: Michael Lipsky
Title: Senior Portfolio Manager

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **WESTERN ASSET MANAGEMENT COMPANY, as agent and investment manager for certain of its clients and/or managed funds**

By: /s/ Adam Wright
Name: Adam Wright
Title: Manger, U.S. Legal Affairs

Address:
385 E. Colorado Blvd.
Pasadena, CA 91101

Telephone: 626-817-5181

Fax No.: 626-844-9451

E-mail: awright@westernasset.com

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **WESTERN ASSET MANAGEMENT COMPANY, as agent and investment manager for certain of its clients and/or managed funds**

By: /s/ Adam Wright
Name: Adam Wright
Title: Manger, U.S. Legal Affairs

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder: **CI INVESTMENTS INC., as manager on behalf of certain investment funds managed by it**

By: /s/ Brad Benson
Name: Brad Benson
Title: VP – Portfolio Management

By: /s/ Darren Arrowsmith
Name: Darren Arrowsmith
Title: VP – Portfolio Management

Address:

_____

_____

_____

Telephone: _____

Fax No.: _____

E-mail: _____

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☒ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

Holder: **CI INVESTMENTS INC., as manager on behalf of certain investment funds managed by it**

By: /s/ Brad Benson
Name: Brad Benson
Title: VP – Portfolio Management

By: /s/ Darren Arrowsmith
Name: Darren Arrowsmith
Title: VP – Portfolio Management

ANNEX A

Form of Joinder Agreement

THIS JOINDER AGREEMENT is made and entered into by the undersigned with reference to the following facts:

Reference is made to the Registration Rights Agreement, dated as of February 28, 2017, as amended (the "**Registration Rights Agreement**"), by and among Berry Petroleum Corporation, a Delaware corporation (the "**Company**"), the other parties (the "**Holders**") thereto. Capitalized terms used but not defined in this Joinder Agreement shall have the meanings ascribed thereto in the Registration Rights Agreement.

As a condition to the acquisition of rights under the Registration Rights Agreement in accordance with the terms thereof, the undersigned agrees as follows:

1. The undersigned hereby agrees to be bound by the provisions of the Registration Rights Agreement and undertakes to perform each obligation as if a Holder thereunder and an original signatory thereto in such capacity.

2. This Joinder Agreement shall bind, and inure to the benefit of, the undersigned hereto and its respective devisees, heirs, personal and legal representatives, executors, administrators, successors and assigns.

3. This Joinder Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of New York or any other jurisdiction) to the extent such rules or provisions would cause the application of the laws of any jurisdiction other than the State of New York.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement.

[**HOLDER**]

By: _____
Name:
Title:

Date: _____

Address: _____

_____

_____

_____

Phone Number: _____

Facsimile Number: _____

E-mail for Notice: _____

I.R.S. I.D. Number: _____

Amount of Registrable Securities Acquired: _____

To exercise the Opt-In Election pursuant to Section 7(e), please check the box below and countersign:

☐ – The undersigned Holder hereby notifies the Company of its exercise of the Opt-In Election.

[**HOLDER**]

By: _____
Name:
Title:

[Signature Page to Joinder Agreement]

Exhibit 10.13

EXECUTION VERSION

Published CUSIP Number: 08579CAA5

CREDIT AGREEMENT

dated as of February 28, 2017

among

BERRY PETROLEUM COMPANY, LLC,
as Borrower,

BERRY PETROLEUM CORPORATION,
as Parent Guarantor,

Each of the Subsidiaries of Borrower and Parent Guarantor,
each as a Subsidiary Guarantor,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent,

and

The Lenders from Time to Time Party Hereto

TABLE OF CONTENTS

ANNEXES, EXHIBITS AND SCHEDULES

THIS CREDIT AGREEMENT dated as of February 28, 2017, is among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"); Berry Petroleum Corporation, a Delaware corporation (the "Parent Guarantor"); each of the Subsidiaries of the Borrower and Parent Guarantor (the "Subsidiary Guarantors" and each a "Subsidiary Guarantor" and together with the Borrower and Parent Guarantor, the "Obligors" and each an "Obligor"); each of the Lenders from time to time party hereto; and Wells Fargo Bank, National Association (in its individual capacity, "Wells Fargo Bank"), as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the "Administrative Agent").

RECITALS

A. **WHEREAS,** Berry Petroleum Company, a Delaware corporation ("Prepetition Borrower"), Wells Fargo Bank, National Association, as administrative agent for the lenders (the "Prepetition Administrative Agent"), and other financial institutions named and defined therein as lenders, including Wells Fargo Bank, National Association in its capacity as a lender (the "Prepetition Lenders" and each a "Prepetition Lender") entered into that certain Second Amended and Restated Credit Agreement, dated as of November 15, 2010, as amended or otherwise modified (the "Prepetition Credit Agreement") from time to time through May 11, 2016 (the "Petition Date"), the date on which the Prepetition Borrower and certain of its Affiliates filed a voluntary proceeding under Chapter 11 of the Bankruptcy Code (the "Restructuring Proceeding") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court");

B. **WHEREAS,** the Prepetition Administrative Agent timely filed that certain Master Proof of Claim of (i) Wells Fargo Bank, National Association, Individually and as Administrative Agent under the First Lien Credit Agreements, and (ii) the Other First Lien Secured Parties with the Bankruptcy Court (the "Prepetition Claims");

C. **WHEREAS,** the disclosure statement, as amended from time to time, was filed by the Prepetition Borrower with the Bankruptcy Court on December 13, 2016 and its adequacy was approved by the Bankruptcy Court on December 21, 2016;

D. **WHEREAS,** pursuant to the plan of reorganization filed by the Prepetition Borrower with the Bankruptcy Court and confirmed by the Bankruptcy Court on January 27, 2017 ((together with all supplements, exhibits and schedules thereto, the "Plan of Reorganization"), upon the effective date of the Plan of Reorganization (the "Plan Effective Date"), the Prepetition Administrative Agent and the Prepetition Lenders have agreed in settlement of the Prepetition Claims in accordance with the Plan of Reorganization and on the terms and conditions set forth herein to enter into a new credit facility, and a portion of the prepetition Obligations under the Prepetition Credit Agreement will be deemed to be Loans drawn under this Agreement;

E. **WHEREAS,** pursuant to the Plan of Reorganization, on the Plan Effective Date the Liens of the Administrative Agent for the benefit of the Lenders will be fully perfected without further action and the mortgages granted pursuant to the Prepetition Credit Agreement will remain in full force and effect and be assigned to the Administrative Agent for the benefit of the Lenders to secure the Obligations hereunder (as defined below) and assumed or ratified by the Obligors and their respective Subsidiaries; and

F. **WHEREAS,** pursuant to the Plan of Reorganization, on or prior to the Plan Effective Date, (i) the Parent Guarantor will be organized, (ii) the Borrower will enter into this Agreement, and (iii) substantially contemporaneously therewith, the Plan Sale will occur and the Equity Interests of the Borrower will be transferred to the Parent Guarantor, and the Parent Guarantor will become a Guarantor of the Obligations hereunder.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and in the Plan of Reorganization, and of the loans, extensions of credit and commitments hereinafter referred to, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND ACCOUNTING MATTERS

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

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

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

"Account Control Agreement" shall mean, as to any deposit or securities account of any Obligor or its Subsidiaries holding cash, Cash Equivalents, or securities and proceeds thereof held with a depositary bank, securities intermediary, securities broker or any other Person, an agreement or agreements in form and substance reasonably acceptable to the Administrative Agent among the Borrower or other Obligor owning such deposit or securities account, the Administrative Agent and the depositary bank, securities intermediary, securities broker or any other Person with respect thereto, which agreement or agreements result in fully perfected Liens in favor of the Administrative Agent and the Lenders in the cash, Cash Equivalents, or securities and proceeds thereof contained in such deposit or securities account and grant to the Administrative Agent exclusive authority to preclude any Obligor from withdrawing funds, Cash Equivalents, or securities from such account and authorize the Administrative Agent to direct the transfer of the cash, Cash Equivalents, or securities and proceeds thereof contained in such deposit or securities account to the Administrative Agent's collateral account.

"Accounting Changes" means changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Public Company Accounting Oversight Board, the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or, if applicable, the Securities and Exchange Commission (or successors thereto, or agencies with similar functions).

"Adjusted LIBO Rate" means, with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/100 of 1%) equal to the LIBO Rate for such Interest Period multiplied by the Statutory Reserve Rate.

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

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

"Affected Loans" has the meaning assigned to such term in Section 5.06.

"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.

"Aggregate Maximum Credit Amounts" at any time shall equal the sum of the Maximum Credit Amounts, as the same may be reduced or terminated pursuant to Section 2.06 or increased from time to time in accordance with the provisions herein. The initial Aggregate Maximum Credit Amounts of the Lenders is $550,000,000.

"Agreement" means this Credit Agreement as the same may from time to time be amended, modified, supplemented or restated.

"Alternate Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1.00% and (c) the Adjusted LIBO Rate for a One Month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.00%, provided that, for the avoidance of doubt, the Adjusted LIBO Rate for any day shall be based on the rate appearing on the Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market), rounded upwards, if necessary, to the next 1/100 of 1.00% at which dollar deposits of $5,000,000 with a three month maturity are offered at approximately 11:00 a.m., London time, on such day (or the immediately preceding Business Day if such day is not a Business Day). Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate, respectively.

"AML Laws" means all laws, rules, and regulations of any jurisdiction applicable to any Lender, the Borrower, the Borrower's Subsidiaries or any other Obligor or its Subsidiaries from time to time concerning or relating to anti-money laundering.

"Anti-Corruption Laws" means all laws, rules, and regulations of the United States, the European Union, the United Kingdom, the United Nations, or any jurisdiction applicable to the Borrower, the Borrower's Subsidiaries or any other Obligor or its Subsidiaries from time to time concerning or relating to anti-bribery or anti-corruption.

"Applicable Margin" means, for any day, with respect to any ABR Loan or Eurodollar Loan, or with respect to the Commitment Fee Rate, as the case may be, the rate per annum set forth in the Borrowing Base Utilization Grid below based upon the Borrowing Base Utilization Percentage then in effect:

Borrowing Base Utilization Grid

Category	**I**	**II**	**III**	**IV**	**V**
Borrowing Base Utilization Percentage	*<25%*	*≥25% <50%*	*≥50% <75%*	*≥75% <90%*	*≥90%*
Eurodollar Loans	3.250%	3.500%	3.750%	4.000%	4.250%
ABR Loans	2.250%	2.500%	2.750%	3.000%	3.250%
Commitment Fee Rate	0.500%	0.500%	0.500%	0.500%	0.500%

Each change in the Applicable Margin and Commitment Fee Rate shall apply during the period commencing on the effective date of such change in the Borrowing Base Utilization Percentage and ending on the date immediately preceding the effective date of the next such change; provided, however, that if at any time (i) the Borrower fails to deliver a Reserve Report pursuant to Section 8.12(a) and such failure continues for five (5) days, then the "Applicable Margin" and "Commitment Fee Rate" shall be set at Category V, until such Reserve Report is delivered and (ii) the "Applicable Margin" and "Commitment Fee Rate" shall be set at Category V upon the occurrence and during the continuation of a Default or an Event of Default. For the avoidance of doubt, the "Applicable Margin" and "Commitment Fee Rate" in effect on the Effective Date shall be Category V.

"Applicable Percentage" means, with respect to any Lender at any time, the percentage of the Aggregate Maximum Credit Amounts represented by such Lender's Maximum Credit Amount; provided that if the Commitments have terminated or expired, each Lender's Applicable Percentage shall be determined based upon the Commitments most recently in effect.

"Approved Counterparty" means any Lender or any Affiliate of a Lender or either's direct or indirect parent whose long term senior unsecured debt rating is, or whose Guarantor's long term unsecured debt rating is, BBB/Baa2 by S&P or Moody's (or their equivalent) or higher at the time such Affiliate enters into a Swap Agreement with the Obligors or their respective Subsidiaries.

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

"Approved Petroleum Engineers" means (a) Netherland, Sewell & Associates, Inc., (b) Ryder Scott Company Petroleum Consultants, L.P. and (c) any other independent petroleum engineers selected by the Borrower and approved by the Administrative Agent, in its reasonable discretion, prior to the date on which such engineer begins its work.

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

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

"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.

"Bank Price Deck" means the Administrative Agent's forward curve for each of oil, natural gas and other Hydrocarbons, as applicable, furnished to the Borrower by the Administrative Agent from time to time.

"Bankruptcy Court" has the meaning assigned to such term in the Recitals.

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

"Bankruptcy Exit Financial Statements" means (i) the pro forma fresh start balance sheet of the Borrower and its Subsidiaries prepared in good faith based on assumptions believed to be reasonable and (ii) to the extent applicable, any other financial statements of the Borrower and its Affiliates required to be filed with the Bankruptcy Court and delivered to the Administrative Agent in connection with the Plan of Reorganization.

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

"Borrower" has the meaning assigned to such term in the Preamble.

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

"Borrowing Base" means at any time an amount equal to the amount determined in accordance with Section 2.07, as the same may be adjusted from time to time pursuant to Section 2.07(b), Section 2.07(e), Section 2.07(f), or Section 8.13(c).

"Borrowing Base Deficiency" occurs at any time the total Revolving Credit Exposures exceeds the lesser of (i) the Aggregate Maximum Credit Amounts; or (ii) the Borrowing Base then in effect. The amount of the Borrowing Base Deficiency is the amount by which the total Revolving Credit Exposures exceeds the lesser of (i) the Aggregate Maximum Credit Amounts; or (ii) the Borrowing Base then in effect.

"Borrowing Base Utilization Percentage" means, as of any day, the fraction expressed as a percentage, the numerator of which is the sum of the Revolving Credit Exposures of the Lenders on such day, and the denominator of which is the lesser of (i) the Aggregate Maximum Credit Amounts; or (ii) the Borrowing Base in effect on such day.

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

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in Houston, Texas and New York City are authorized or required by law to remain closed; and if such day relates to a Borrowing or continuation of, a payment or prepayment of principal of or interest on, or a conversion of or into, or the Interest Period for, a Eurodollar Loan or a notice by the Borrower with respect to any such Borrowing or continuation, payment, prepayment, conversion or Interest Period, any day which is also a day on which banks are open for dealings in dollar deposits in the London interbank market.

"Capital Leases" means, in respect of any Person, all leases which shall have been, or should have been, in accordance with GAAP, recorded as capital leases or finance leases on the balance sheet of the Person liable (whether contingent or otherwise) for the payment of rent thereunder.

"Cash Equivalents" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition; (b) certificates of deposit, time deposits, Eurodollar time deposits or overnight bank deposits having maturities of twelve (12) months or less from the date of acquisition issued by any Lender or by any commercial bank organized under the laws of the United States of any state thereof having combined capital and surplus of not less than $500,000,000; (c) commercial paper of an issuer rated at least A-1 by S&P or P-1 by Moody's, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within 270 days from the date of acquisition; (d) repurchase obligations of any Lender or of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than thirty (30) days, with respect to securities issued or fully guaranteed or insured by the United States government; or (e) money market or other mutual funds substantially all of whose assets comprise securities of the type described in clauses (a) through (d) above.

"Cash Management Agreement" means any agreement to provide cash management services, including, but not limited to, treasury, depository, overdraft, credit or debit card, electronic funds transfer and other cash management services.

"Casualty Event" means any loss, casualty or other insured damage to, or any nationalization, taking under power of eminent domain or by condemnation or similar proceeding of, any Property of the Borrower or any of its Subsidiaries having a Fair Market Value in excess of $5,000,000.

"CERCLA" has the meaning assigned to such term in the definition of Environmental Laws.

"Change in Control" means (a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Permitted Holders, shall beneficially own a percentage of the then issued and outstanding Equity Interests of Parent Guarantor that is more than thirty-five percent (35%) of the voting power of the total outstanding Equity Interests of Parent Guarantor, (b) the Parent Guarantor shall cease to own and control 100% of the equity interests of the Borrower, (c) Borrower shall cease to own and control directly or indirectly 100% of the equity interests of any Consolidated Subsidiary, except pursuant to a transaction permitted by Section 9.06, (d) occupation of a majority of the seats (other than vacant seats) on the board of directors of Parent or the Borrower by Persons who were neither (i) nominated by the board of directors of Parent or the Borrower as applicable nor (ii) appointed by directors so nominated, or (e) any "change in control" (or other similar event, howsoever designated) shall occur under any Material Indebtedness agreement.

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

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

"Collateral" means substantially all Property of the Borrower and each Guarantor described in any Security Instrument as security for the Obligations, and all other Property that now exists or is hereafter acquired and secures (or is intended to secure) the Obligations.

"Collection Account" means a deposit account established in the name of any Obligor or any Subsidiary, as applicable, and maintained with the Administrative Agent.

"Commitment" means, with respect to each Lender, the commitment of such Lender to make or be deemed to make Loans and to acquire participations in Letters of Credit hereunder, as such commitment may be (a) modified from time to time pursuant to Section 2.06 and (b) modified from time to time pursuant to assignments by or to such Lender pursuant to Section 12.04(b). The amount representing each Lender's Commitment shall at any time be the lesser of such Lender's Maximum Credit Amount and such Lender's Applicable Percentage of the then effective Borrowing Base.

"Commitment Fee Rate" has the meaning set forth in the definition of "Applicable Margin".

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

"Confirmation Order" has the meaning set forth in Section 6.01(a).

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

"Consolidated Cash Balance" means, at any time of determination, (a) the sum of the aggregate amount of cash and Cash Equivalents, in each case, held or owned by (whether directly or indirectly), credited to the account of, or otherwise reflected as an asset on the balance sheet of, the Obligors minus (b) the sum of (i) Excluded Accounts, (ii) amounts designated to be paid as purchase price under a binding acquisition agreement within thirty (30) days of the applicable Consolidated Cash Measurement Date, (iii) good faith estimates of any issued checks or initiated wires or ACH transfers to the extent not already deducted pursuant to subpart (a) above and (iv) the General Unsecured Claims Amount held in the General Unsecured Claims Account, the amount of the then current balance held in the Professional Fee Escrow Account and the Designated Rights Offering Proceeds.

"Consolidated Cash Measurement Date" has the meaning set forth in Section 2.03(c).

"Consolidated Cash Sweep Date" has the meaning set forth in Section 3.04(c)(iv).

"Consolidated Net Income" means with respect to Parent Guarantor and the Consolidated Subsidiaries, for any period, the aggregate of the net income (or loss) of Parent Guarantor and the Consolidated Subsidiaries after allowances for taxes for such period determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded from such net income (to the extent otherwise included therein) the following: (a) the net income of any Person in which Parent Guarantor or any Consolidated Subsidiary has an interest (which interest does not cause the net income of such other Person to be consolidated with the net income of Parent Guarantor and the Consolidated Subsidiaries in accordance with GAAP), except to the extent of the amount of dividends or distributions actually paid in cash during such period by such other Person to Parent Guarantor or to a Consolidated Subsidiary, as the case may be; (b) the net income (but not losses) during such period of any Consolidated Subsidiary to the extent that the declaration or payment of dividends or similar distributions or transfers or loans by that Consolidated Subsidiary is not at the time permitted by operation of the terms of its charter or any agreement, instrument or Governmental Requirement applicable to such Consolidated Subsidiary, in each case determined in accordance with GAAP; (c) the net income (or deficit) of any Person accrued prior to the date it becomes a Consolidated Subsidiary or is merged into or consolidated with Parent Guarantor or any of its Consolidated Subsidiaries; (d) any extraordinary gains or losses during such period; (e) any gains or losses attributable to write-ups or write-downs of assets, including ceiling test write-downs; (f) any non-cash gains or losses; and (g) positive or negative adjustments under FASB ASC 815 as a result of changes in the Fair Market Value of derivatives.

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

"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. For the purposes of this definition, and without limiting the generality of the foregoing, any Person that owns directly or indirectly ten (10%) or more of the Equity Interests having ordinary voting power for the election of the directors or other governing body of a Person will be deemed to "control" such other Person. "Controlling" and "Controlled" have meanings correlative thereto.

"Controlled Proceeds Accounts" means each and every cash, Cash Equivalent or securities deposit or securities account maintained by each Obligor or any of their respective Subsidiaries at any time (other than Excluded Accounts), all of which are set forth on Schedule 7.22 attached hereto and all of which are subject to Account Control Agreements.

"Core Acquisitions and Investments" means (a) acquisitions of Hydrocarbon Interests and acquisitions of assets used in the producing, drilling, transportation, processing, refining or marketing of petroleum products that are related to the Borrower's or its Subsidiaries' producing Hydrobcarbon Interests, and (b) acquisitions of or Investments in Persons engaged primarily in the business of acquiring, developing and producing Hydrocarbon Interests or transporting, processing, refining or marketing petroleum products that are related to the Borrower's or its Subsidiaries' producing Hydrocarbon Interests; provided that with respect to any acquisition or Investment described in this clause (b), either (i) immediately after making such acquisition or Investment, Borrower shall directly or indirectly own at least fifty-one percent (51%) of the Equity Interests of such Person, measured by voting power, (ii) such Person shall not be a publicly traded entity and such acquisition or Investment shall be related to the business and operations of the Borrower or one of its Subsidiaries or (iii) such Person is merged or consolidated into the Borrower or any Subsidiary.

"Credit Bid" means an offer submitted by the Administrative Agent (on behalf of the Lenders), based upon the instruction of the Required Lenders, to acquire the Property or Equity Interests of the Borrower or any Guarantor or any portion thereof in exchange for and in full and final satisfaction of all or a portion (as determined by the Administrative Agent, based upon the instruction of the Required Lenders) of the claims and Obligations under this Agreement and other Loan Documents.

"Debt" means, for any Person, the sum of the following (without duplication): (a) all obligations of such Person for borrowed money or evidenced by bonds, bankers' acceptances, debentures, notes or other similar instruments; (b) all obligations of such Person (whether contingent or otherwise) in respect of letters of credit, surety or other bonds and similar instruments; (c) all accounts payable and all accrued expenses, liabilities or other obligations of such Person to pay the deferred purchase price of Property or services that are more than 90 days past the due date thereof other than those which are being contested in good faith; (d) all obligations under Capital Leases; (e) all obligations under Synthetic Leases; (f) all Debt (as defined in the other clauses of this definition) of others secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) a Lien on any Property of such Person, whether or not such Debt is assumed by such Person to the extent of the lesser of (i) the aggregate unpaid amount of such Debt and (ii) the Fair Market Value of the property encumbered thereby as determined by such Person in good faith; (g) all Debt (as defined in the other clauses of this definition) of others guaranteed by such Person or in which such Person otherwise assures a creditor against loss of the Debt (howsoever such assurance shall be made) to the extent of the lesser of the amount of such Debt and the maximum stated amount of such guarantee or assurance against loss; (h) all obligations or undertakings of such Person to maintain or cause to be maintained the financial position or covenants of others or to purchase the Debt or Property of others; (i) obligations to deliver commodities, goods or services, including, without limitation, Hydrocarbons, in consideration of one or more advance payments, other than gas balancing arrangements in the ordinary course of business; (j) obligations to pay for goods or services, other than in the ordinary course of business, even if such goods or services are not actually received or utilized by such Person; (k) any Debt of a partnership for which such Person is liable either by agreement, by operation of law or by a Governmental Requirement but only to the extent of such liability; (l) Disqualified Capital Stock; and (m) the undischarged balance of any production payment created by such Person or for the creation of which such Person directly or indirectly received payment. The Debt of any Person shall include all obligations of such Person of the character described above to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is not included as a liability of such Person under GAAP.

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

"Defaulting Lender" means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or (iii) pay over to any Lender Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower or any Lender Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied), (c) has failed, within three Business Days after request by a Lender Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Loans and participations in then outstanding Letters of Credit under this Agreement; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Lender Party's receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or (d) has, or whose Lender Parent has, (i) become the subject of a Bankruptcy Event, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity, or (iii) become the subject of a Bail-in Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 4.03(c)) upon delivery of written notice of such determination to the Borrower, the Issuing Bank and each Lender.

"Designated Rights Offering Proceeds" means for a period of sixty (60) days from the date of receipt of such proceeds (or such later date as the Administrative Agent shall consent in its sole discretion), to the extent maintained in a Controlled Proceeds Account, the Net Cash Proceeds obtained in an offering of Equity Interests of the Parent Guarantor which will be used solely for the purpose of acquiring assets in the Linn Asset Transaction; provided, that if the Linn Asset Transaction has not occurred on or before the date that is sixty (60) days from the date of receipt of such proceeds (or such later date as the Administrative Agent shall consent in its sole discretion) such proceeds shall cease to be Designated Rights Offering Proceeds and shall be subject to Section 3.04(c)(iv).

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

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

"Domestic Subsidiary" means any Subsidiary that is organized under the laws of the United States of America or any state thereof or the District of Columbia.

"EBITDAX" means, for any period, the sum of (a) Consolidated Net Income for such period, plus (b) the sum of the following expenses or charges to the extent deducted from Consolidated Net Income in such period: (A) interest expense, (B) income tax expense, (C) depreciation, depletion, amortization, amortization of deferred financing fees, exploration expenses, other similar noncash charges and expenses (including, without limitation, write-downs and impairment of property, plant, equipment, and goodwill and intangibles and other long-lived assets), and the non-cash impact of purchase accounting on the Borrower and the other Obligors, (D) the negative effects of non-cash adjustments from the adoption of fresh start accounting in connection with the consummation of the Plan of Reorganization, (E) any non-cash accretion of asset retirement obligations in accordance with SFAS No. 143, Accounting for Asset Retirement Obligations, and any similar accounting in prior period, and (F) any non-cash compensation expense associated with employee stock options, minus (c) to the extent included in the statement of Consolidated Net Income for such period, the sum of (i) interest income and (ii) all non-cash income and gains added to Consolidated Net Income (excluding any such non-cash item to the extent it represents the reversal of an accrual or reserve for potential cash item in any prior period). For the purposes of calculating EBITDAX for any Reference Period, (i) if during such Reference Period any Obligor or any Subsidiary Guarantor shall have made a Disposition, EBITDAX for such Reference Period shall be calculated on a pro forma basis as if such Disposition occurred on the first day of such Reference Period and (ii) if during such Reference Period any Obligor or any Subsidiary Guarantor shall have made an Acquisition, EBITDAX for such Reference Period shall be calculated on a pro forma basis as if such Acquisition occurred on the first day of such Reference Period. Notwithstanding anything to the contrary contained herein, for purposes of determining "EBITDAX" under this Agreement, (a) EBITDAX on the last day of the fiscal quarters ending on March 31, 2017, June 30, 2017 and September 30, 2017 shall be calculated by annualizing EBITDAX for the period commencing on January 1, 2017 and ending on such date, and (b) EBITDAX on the last day of each fiscal quarter thereafter shall be EBITDAX for the four-quarter period ending on such date.

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

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

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

"Effective Date" means the date on which (a) the conditions specified in Section 6.01 are satisfied (or waived in accordance with Section 12.02) and (b) the initial funding or deemed funding of the Loans and the deemed issuance of the Existing Letters of Credit occurs.

"Enforcement Action" means any action to enforce any Obligations or Loan Documents or to exercise any rights or remedies relating to any Collateral (whether by judicial action, self-help, notification of account debtors, setoff or recoupment, credit bid, action in an Obligor's Insolvency Proceeding or otherwise).

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

"Environmental Laws" means any and all Governmental Requirements pertaining in any way to health, safety, protection of the environment, the preservation or reclamation of natural resources, or the management, Release or threatened Release of any Hazardous Materials, in effect in any and all jurisdictions in which any Obligor or any Subsidiary is conducting, or at any time has conducted, business, or where any Property of any Obligor or any Subsidiary is located, including, the Oil Pollution Act of 1990, as amended, the Clean Air Act, as amended, the Comprehensive Environmental, Response, Compensation, and Liability Act of 1980 ("CERCLA"), as amended, the Federal Water Pollution Control Act, as amended, the Occupational Safety and Health Act of 1970, as amended, the Resource Conservation and Recovery Act of 1976 ("RCRA"), as amended, the Safe Drinking Water Act, as amended, the Toxic Substances Control Act, as amended, the Superfund Amendments and Reauthorization Act of 1986, as amended, the Hazardous Materials Transportation Law, as amended, and other environmental conservation or protection Governmental Requirements.

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

"Equipment and Facilities" means all hereditaments, appurtenances and properties in anywise appertaining, belonging, affixed or incidental to Hydrocarbon Interests or the lands pooled or unitized therewith, including, without limitation, any and all property, real or personal, situated upon the Hydrocarbon Interests or the lands pooled or unitized therewith, or used, held for use, or useful in connection with the operating, working or development of any of such Hydrocarbon Interests or the lands pooled or unitized therewith, or with the production, sale, purchase, exchange, treatment, processing, handling, storage, transporting or marketing of Hydrocarbons from or attributable to such Hydrocarbon Interests or the lands pooled or unitized therewith, including, without limitation, any and all oil wells, gas wells, injection wells or other wells, buildings, structures, fuel separators, liquid extraction plants, plant compressors, pumps, pumping units, pipelines, sales and flow lines, gathering lines and systems, field gathering systems, salt water disposal facilities, tanks and tank batteries, processing plants, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, facilities, appliances, tools, implements, cables, wires, towers, casing tubing and rods, surface leases, rights-of-way, easements, servitudes, licenses and other surface and subsurface rights together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing.

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

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

"ERISA Affiliate" means each trade or business (whether or not incorporated) which together with the Obligors or a Subsidiary would be deemed to be a "single employer" within the meaning of Section 4001(b)(1) of ERISA or subsections (b) or (c) of Section 414 of the Code or, solely for the purposes of Section 412 of the Code, under subsections (m) or (o) of Section 414 of the Code.

"ERISA Event" means (a) a "reportable event" described in section 4043 of ERISA and the regulations issued thereunder (other than an event for which the 30-day notice period is waived), (b) the withdrawal of the Borrower, a Guarantor or any ERISA Affiliate from a Plan subject to Section 4063 of ERISA during a plan year in which it was a "substantial employer" as defined in section 4001(a)(2) of ERISA, (c) the filing under Section 4041(c) of ERISA of a notice of intent to terminate a Plan in a distress termination under section 4041 of ERISA or the treatment of a Plan amendment by the PBGC as a termination under section 4041 of ERISA, (d) the institution of proceedings to terminate a Plan by the PBGC, (e) receipt of a notice of withdrawal liability pursuant to Section 4202 of ERISA by the Borrower or a Guarantor or (f) any other event or condition that might reasonably be expected to constitute grounds under section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

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

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

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

"Excepted Liens" means: (a) Liens for Taxes, assessments or other governmental charges or levies which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (b) Liens in connection with workers' compensation, unemployment insurance or other social security, old age pension or public liability obligations which are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (c) landlord's liens, operators', vendors', carriers', warehousemen's, repairmen's, mechanics', suppliers', workers', materialmen's, construction or other like Liens arising in the ordinary course of business or incident to the exploration, development, operation and maintenance of Oil and Gas Properties each of which is in respect of obligations that (i) are not overdue for a period of more than ninety (90) days or (ii) are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (d) contractual Liens which arise in the ordinary course of

business under operating agreements, joint venture agreements, rights of first refusal, purchase options and similar rights granted pursuant to joint operating agreements, oil and gas partnership agreements, oil and gas leases, farm-out agreements, division orders, contracts for the sale, transportation or exchange of oil and natural gas, unitization and pooling declarations and agreements, area of mutual interest agreements, overriding royalty agreements, marketing agreements, processing agreements, net profits agreements, development agreements, gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or other geophysical permits or agreements, and other agreements which are usual and customary in the oil and gas business and are for claims which are not more than ninety (90) days past due or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; (e) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights and remedies and burdening only deposit accounts or other funds maintained with a creditor depository institution; provided that no such deposit account is a dedicated cash collateral account or is subject to restrictions against access by the depositor in excess of those set forth by regulations promulgated by the Board and no such deposit account is intended by Borrower or any of its Subsidiaries to provide collateral to the depository institution; (f) easements, restrictions, rights-of-way, servitudes, permits, surface leases, conditions, covenants, exceptions, reservations or similar encumbrances in any Property of any Obligor or any Subsidiary for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines for the removal of gas, oil, coal or other minerals or timber, and other like purposes, or for the joint or common use of real estate, rights of way, facilities and equipment, that do not secure any monetary obligations and which in the aggregate do not materially impair the use of such Property for the purposes of which such Property is held by any Obligor or any Subsidiary or materially impair the value of such Property subject thereto; (g) judgment and attachment Liens not giving rise to an Event of Default; (h) (i) leases, licenses, consignment, bailment, subleases or sublicenses granted to other Persons in the ordinary course of business which do not (A) interfere in any material respect with the business of the Borrower or its Subsidiaries or (B) constitute Debt for borrowed money or (ii) the rights reserved or vested in any Person by the terms of any lease, license, franchise, grant or permit held by the Borrower or any of its Subsidiaries or by a statutory provision, to terminate any such lease, license, franchise, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof; (i) Liens (i) on cash or securities pledged to secure performance to the seller of any Property to be acquired in an Investment pursuant to Section 9.05 to be applied against the purchase price for such Investment and (ii) constituting an agreement to dispose of any Property in a disposition permitted under Section 9.12, in each case, solely to the extent such investment or disposition, as the case may be, would have been permitted on the date of the creation of such Lien; (j) deposits and other Liens securing (or securing the bonds or similar instruments securing) the performance of tenders, statutory obligations, plugging and abandonment obligations, surety, stay, customs and appeal bonds, completion and performance guarantees, bids, leases, government contracts, trade contracts, performance and return-of-money bonds, insurance premiums or reimbursement obligations under insurance policies, obligations for unemployment insurance and other social legislation, regulatory obligations and other similar obligations (including letters of credit issues in lieu of such bonds or to support the issuance thereof) incurred in the ordinary course of business and not securing Debt for borrowed money, including those incurred to secure health, safety and environmental obligations in the ordinary course of business; (k) (i) rights reserved to or vested in any municipality or governmental, statutory or public authority by the terms of any right, power, franchise, grant, license or permit, or by any provision of law, to terminate such right, power, franchise, grant, license or permit or to purchase, condemn, expropriate or recapture or to designate a purchaser of any of the Property of such Person, (ii) rights reserved to or vested in any municipality or governmental, statutory or public

authority to control or regulate any Property of such Person, or to use such Property in a manner which does not materially impair the use of such Property for the purposes for which it is held by such Person, (iii) any obligation or duties affecting the Property of such Person to any municipality or governmental, statutory or public authority with respect to any franchise, grant, license or permit, and (iv) security given to a public utility or any municipality or governmental authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of business; (l) minor defects and irregularities in title to any Property, so long as such defects and irregularities neither secure Debt nor materially impair the value of such Property or the use of such Property for the purposes for which such Property is held; (m) Liens in the nature of precautionary financing statements filed against leased Property by lessors holding Capital Lease obligations included in Debt permitted under Section 9.02; and (n) Liens pursuant to merger agreements, stock purchase agreements, asset sale agreements and similar agreements (i) limiting the transfer of Properties and assets pending consummation of the subject transaction and (ii) in respect of earnest money deposits, good faith deposits, purchase price adjustment escrows and similar deposits and escrow arrangements made or established thereunder; provided that (x) Liens described in clauses (a) through (d) above shall remain "Excepted Liens" only for so long as no action to enforce such Lien has been commenced (and not stayed), unless such Liens are being contested in good faith by appropriate proceedings, and no intention to subordinate the first priority Lien granted in favor of the Administrative Agent and the Lenders is to be hereby implied or expressed by the permitted existence of such Excepted Liens; and (y) in no event shall "Excepted Liens" secure Debt for borrowed money.

"Excess Cash" has the meaning assigned to such term in Section 3.04(c)(iv).

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

"Excluded Accounts" means, with respect to the Borrower or any Subsidiary, each deposit account, to the extent used exclusively and solely for (a) payroll accounts containing a balance not exceeding the amount of payroll expenses for one payroll period at any time, (b) tax withholding accounts, (c) employee benefit trust accounts, (d) zero balance accounts (other than lockbox accounts to the extent Account Control Agreements are permitted by the applicable depository bank), (e) petty cash accounts containing a balance not exceeding $25,000 per account at any time and not to exceed $250,000 for all such accounts in the aggregate, (f) trust accounts holding royalty payment and working interest payments solely to the extent constituting property of a third party held in trust, (g) cash collateral accounts constituting Liens permitted under Section 9.03, (h) the General Unsecured Claims Account and (i) the Professional Fee Escrow Account.

"Excluded Swap Obligations" means, with respect to the Borrower or any Guarantor, (a) as it relates to all or a portion of any guarantee of the Borrower or such Guarantor, any Swap Obligation if, and to the extent that, such Swap Obligation (or any guarantee in respect thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of the Borrower's or such Guarantor's 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 the Borrower or such Guarantor becomes effective with respect to such Swap Obligation or (b) as it relates to all or a portion of the grant by the Borrower or such Guarantor of a security interest, any Swap Obligation if, and to the extent that, such Swap Obligation (or such security interest in respect thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading

Commission (or the application or official interpretation of any thereof) by virtue of the Borrower's or such Guarantor's 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 security interest of the Borrower or such Guarantor becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal.

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

"Existing Letters of Credit" means (a) Standby Letter of Credit # IS0026125U, in the amount of $6,000,000 issued by Wells Fargo Bank, N.A., to Department of Fish and Wildlife, as beneficiary, with an expiry date of March 20, 2017, (b) Standby Letter of Credit # IS0296691U, in the amount of $50,000 issued by Wells Fargo Bank, N.A., to San Joaquin Valley Air Pollution Control District, as beneficiary, with an expiry date of May 14, 2017, (c) Standby Letter of Credit # IS0333051U, in the amount of $50,000 issued by Wells Fargo Bank, N.A., to San Joaquin Valley Air Pollution Control District, as beneficiary, with an expiry date of August 24, 2017, (d) Standby Letter of Credit # LC639529, in the amount of $410,000 issued by Wells Fargo Bank, N.A., to Southern California Gas Company, as beneficiary, with an expiry date of September 6, 2017.

"Extraordinary Expenses" means all costs, expenses or advances that the Administrative Agent may incur during a Default or Event of Default, or during the pendency of an Insolvency Proceeding of an Obligor, including those relating to (a) any audit, inspection, repossession, storage, repair, appraisal, insurance, manufacture, preparation or advertising for sale, sale, collection, or other preservation of or realization upon any Collateral; (b) any action, arbitration or other proceeding (whether instituted by or against the Administrative Agent, any Lender, any Obligor, any representative of creditors of an Obligor or any other Person) in any way relating to any Collateral (including the validity, perfection, priority or avoidance of the Administrative Agent's Liens with respect to any Collateral), Loan Documents, Letters of Credit or other Obligations, including any lender liability or other Claims; (c) the exercise of any rights or remedies of the Administrative Agent in, or the monitoring of, any Insolvency Proceeding; (d) settlement or satisfaction of taxes, charges or Liens with respect to any Collateral; (e) any Enforcement Action; and (f) negotiation and documentation of any modification, waiver, workout, restructuring or forbearance with respect to any Loan Documents or Obligations. Such costs, expenses and advances include transfer fees, Other Taxes, storage fees, insurance costs, permit fees, utility reservation and standby fees, legal fees of outside counsel, appraisal fees, brokers' and auctioneers' fees and commissions, accountants' fees, environmental study fees, wages and salaries paid to employees of any Obligor or independent contractors in liquidating any Collateral, and reasonable travel and other expenses.

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

"FATCA" means (a) Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof, (b) any agreements entered into pursuant to Section 1471(b)(1) of the Code and (c) any applicable treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an applicable intergovernmental agreement between the U.S. and any other jurisdiction which (in either case) facilitates the implementation of the preceding clauses (a) through (b).

"Federal Funds Effective Rate" means, for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published on the next succeeding Business Day by the Federal Reserve Bank of New York; provided, that if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Fee Letter" means the fee letter, dated the date hereof, between the Borrower and the Administrative Agent.

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

"Financial Statements" means the financial statement or statements of Parent Guarantor and its Consolidated Subsidiaries referred to in Section 7.04 (a).

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

"Flood Insurance Regulations" has the meaning assigned to such term in Section 12.18.

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

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Funded Debt" means any Debt of the type described in clause (a), (e), (i) or (m) of the definition thereof other than Loans.

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

"General Unsecured Claims" means those disputed claims under the Restructuring Proceedings which have not been paid in full pursuant to a final order of the Bankruptcy Court.

"General Unsecured Claims Account" means a separate, designated deposit account that is an Excluded Account and in which the Borrower or other Obligor has deposited funds on the Effective Date and which funds are reserved solely to satisfy the General Unsecured Claims; provided such account shall cease to be an Excluded Account when the General Unsecured Claims have been settled or paid.

"General Unsecured Claims Amount" means $35,000,000 as such amount may be reduced by payments in respect of General Unsecured Claims.

"Governmental Authority" means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government over the Borrower, any Guarantor, any of their Properties, the Administrative Agent, the Issuing Bank or any Lender.

"Governmental Requirement" means any applicable (a) law, statute, code, ordinance, order, rule, regulation, franchise, permit, certificate, license, or rules of common law or (b) other legally binding determination, judgment, decree, injunction or other directive or requirement, whether now or hereinafter in effect, including, without limitation, Environmental Laws, energy regulations and occupational and health standards or controls of any Governmental Authority.

"Guarantors" means (a) the Parent Guarantor and each Subsidiary Guarantor, and (b) each other Person that becomes party to a Guaranty Agreement as a "Guarantor" and guarantees the Obligations (including pursuant to Section 8.14(b)).

"Guaranty Agreement" means (a) the Guaranty Agreement executed by the Obligors in substantially the form attached hereto as Exhibit F, as the same may be amended, modified, supplemented or restated from time to time, and (b) any Guaranty Agreement executed by any other Person to guarantee the Obligations from time -to-time.

"Hazardous Material" means any substance regulated or as to which liability might arise under any applicable Environmental Law including: (a) any chemical, compound, material, product, byproduct, substance or waste defined as or included in the definition or meaning of "hazardous substance," "hazardous material," "hazardous waste," "solid waste," "toxic waste," "extremely hazardous substance," "toxic substance," "contaminant," "pollutant," or words of similar meaning or import found in any applicable Environmental Law; (b) Hydrocarbons, petroleum products, petroleum substances, natural gas, oil, oil and gas waste, crude oil, and any components, fractions, or derivatives thereof; and (c) radioactive materials, explosives, asbestos or asbestos containing materials, polychlorinated biphenyls, radon, infectious or medical wastes.

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

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

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

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

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

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

"Initial Reserve Report" means that certain draft Reserve Report prepared by DeGolyer and MacNaughton with respect to Oil and Gas Properties of the Obligors, as of December 31, 2016.

"Initial Swap Agreements" has the meaning assigned to such term in Section 9.18.

"Insolvency Proceeding" means any case or proceeding commenced by or against a Person under any state, federal or foreign law for, or any agreement of such Person to, (a) the entry of an order for relief under the Bankruptcy Code, or any other insolvency, debtor relief or debt adjustment law; (b) the appointment of a receiver, trustee, liquidator, administrator, conservator or other custodian for such Person or any part of its Property; or (c) an assignment or trust mortgage for the benefit of creditors.

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

"Interest Payment Date" means (a) with respect to any ABR Loan, the last day of each calendar month and (b) with respect to any Eurodollar Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part.

"Interest Period" means, as to each Eurodollar Borrowing, the period commencing on the date such Borrowing is disbursed or converted to or continued as a Eurodollar Borrowing and ending on the date one, two or three months thereafter; provided that: (i) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day; (ii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and (iii) no Interest Period shall extend beyond the Maturity Date.

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

"Investment" means, for any Person: (a) the acquisition (whether for cash, Property, services or securities or otherwise) of Equity Interests of any other Person or any agreement to make any such acquisition (including, without limitation, any "short sale" or any sale of any securities at a time when such securities are not owned by the Person entering into such short sale); provided that no commitment to make any such acquisition shall be an Investment for purposes of this Agreement to the extent the terms of such commitment provide for (i) a consent of applicable Lenders pursuant to Section 12.02 or (ii) a payoff in full or refinancing in full of the Loans, in each case as a condition to the closing of such acquisition; (b) the making of any deposit with, or advance, loan or capital contribution to, assumption of Debt of, purchase or other acquisition of any other Debt or equity participation or interest in, or other extension of credit to, any other Person (including the purchase of Property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such Property to such Person, but excluding any such advance, loan or extension of credit having a term not exceeding ninety (90) days representing the purchase price of inventory or supplies sold by such Person in the ordinary course of business); (c) the purchase or acquisition (in one or a series of transactions) of Property of another Person that constitutes a business unit; or (d) the entering into of any guarantee of, or other contingent obligation (including the deposit of any Equity Interests to be sold) with respect to, Debt or other liability of any other Person.

"IRS" means the United States Internal Revenue Service.

"Issuing Bank" means Wells Fargo Bank, in its capacity as the issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.08(i). The Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of the Issuing Bank, in which case the term "Issuing Bank" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

"Junior Indebtedness" means Debt that is not provided by an Affiliate of any Obligor, is unsecured and ranks junior in priority to the Obligations, contains no term or condition more restrictive than this Agreement, does not mature until a date that is at least 180 days after the Maturity Date, and is issued after the First Scheduled Borrowing Base Redetermination.

"LC Commitment" at any time means twenty-five million dollars ($25,000,000).

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

"LC Exposure" means, at any time, (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time minus (c) the aggregate amount of cash collateral that has been provided in accordance with Section 2.08(j). The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time. For the avoidance of doubt, the aggregate current amount of Existing Letters of Credit shall be included in the calculation of LC Exposure as of the Effective Date.

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

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

"Lenders" means the Persons listed on Annex I and any Person that shall have become a party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

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

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

"Letter of Credit Request" has the meaning assigned to such term in Section 2.08(b).

"Leverage Ratio" means the ratio of Total Net Debt as of such date of determination to EBITDAX determined as of the last date of each fiscal quarter for the four-quarter period ending on such date.

"LIBO Rate" means, with respect to any Eurodollar Borrowing for any Interest Period, the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the "LIBO Rate" with respect to such Eurodollar Borrowing for such Interest Period shall be the rate (rounded upwards, if necessary, to the next 1/100 of 1%) at which dollar deposits of an amount comparable to such Eurodollar Borrowing and for a maturity comparable to such Interest Period are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period. Notwithstanding the foregoing, if the LIBO Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

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

"Linn Asset Transaction" means an asset acquisition whereby the Borrower acquires certain assets of Linn Energy Holdco II LLC located in California for consideration consisting in part of cash proceeds from the Designated Rights Offering Proceeds.

"Liquidate" means, with respect to any Swap Agreement, (a) the sale, assignment, novation, unwind or termination of all or any part of such Swap Agreement, (b) the creation of an offsetting position against all or any part of such Swap Agreement or (c) the amendment or modification of any of the material terms of such Swap Agreement. The terms "Liquidated" and "Liquidation" have correlative meanings thereto.

"Loan Documents" means this Agreement, the Notes, the Letter of Credit Agreements, the Letters of Credit, the Guaranty Agreement, the Security Instruments, the Fee Letter and any and all other agreements or instruments, Proposed Borrowing Base Notices, New Borrowing Base Notices, compliance certificates, subordination agreements, intercreditor agreements, landlord lien waivers, bailee agreements, or other document, instrument or agreement now or hereafter executed and/or delivered by an Obligor or other Person to the Administrative Agent or a Lender in connection with the Obligations, this Agreement and the Transactions contemplated hereby, as such agreements may be amended, restated, supplemented or otherwise modified from time to time.

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

"Majority Lenders" means, at any time while no Loans or LC Exposure is outstanding, Lenders having more than fifty percent (50%) of the Aggregate Maximum Credit Amounts; and at any time while any Loans or LC Exposure is outstanding, Lenders holding more than fifty percent (50%) of the outstanding aggregate principal amount of the Loans and participation interests in Letters of Credit (without regard to any sale by a Lender of a participation in any Loan under Section 12.04(c)); provided that the Maximum Credit Amounts and the principal amount of the Loans and participation interests in Letters of Credit of the Defaulting Lenders (if any) shall be excluded from the determination of Majority Lenders; provided further, that if there are three or fewer Lenders, then all Lenders constitute the "Majority Lenders."

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

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

"Maturity Date" means February 27, 2022.

"Maximum Credit Amount" means, as to each Lender, the amount set forth opposite such Lender's name on Annex I under the caption "Maximum Credit Amounts", as the same may be (a) reduced or terminated from time to time in connection with a reduction or termination of the Aggregate Maximum Credit Amounts pursuant to Section 2.06(b) or (b) modified from time to time pursuant to any assignment permitted by Section 12.04 (b).

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

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

"Mortgages" has the meaning assigned to such term in Section 6.01(b).

"Multiemployer Plan" means a multiemployer plan as defined in Section 3(37) or 4001(a)(3) of ERISA, to which any Obligors or any of their respective ERISA Affiliates makes or is obligated to make contributions.

"Net Proceeds" means the aggregate cash proceeds received by any Obligor in respect of any sale, assignment, conveyance, transfer or other disposition of Property or any unwind or liquidation of Swap Agreements, any incurrence of Debt, or Casualty Event, net of, unless the Loans have been declared or become due and payable as a result of an Event of Default described in Section 10.01(h) or Section 10.01(i) (or after the occurrence and during the continuation of an Event of Default described in Section 10.01(h) or Section 10.01(i)), (a) the reasonable and customary out-of-pocket fees and expenses incurred by such Obligor in connection with such transaction, (b) taxes paid or reasonably estimated to be actually payable within three years of the end of the taxable year during which the relevant transaction occurred as a result of such transaction or any gain recognized in connection therewith (after taking into account any tax credits or deductions utilized or reasonably expected to be utilized and any tax sharing arrangements) and (c) Debt (other than the Obligations) which is secured by a Lien upon any of the assets being sold that is senior to any Lien created by the Loan Documents with respect to such assets and which must be repaid as a result of such sale, assignment, conveyance, transfer or other disposition.

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

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

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

"NYMEX Pricing" means, as of any date of determination with respect to any month or year as applicable (i) for crude oil, the closing settlement price for the Light, Sweet Crude Oil futures contract for such month or year as applicable, and (ii) for natural gas, the closing settlement price for the Henry Hub Natural Gas futures contract for such month or year as applicable, in each case as published by New York Mercantile Exchange (NYMEX), or any successor thereto (as such price may be corrected or revised from time to time by the NYMEX in accordance with its rules and regulations).

"Obligations" means (a) any and all amounts owing or to be owing by the Borrower, any Subsidiary or any Guarantor (whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising) to the

Administrative Agent, the Issuing Bank, any Lender or any other Secured Party or Related Party thereof of any of the foregoing under any Loan Document; (b) all Secured Swap Obligations; (c) all Secured Cash Management Obligations; and (d) all renewals, extensions and/or rearrangements of any of the above. Without limitation of the foregoing, the term "Obligations" shall include the unpaid principal of and interest on the Loans and LC Exposure (including, without limitation, interest accruing at the then applicable rate provided in this Agreement after the maturity of the Loans and LC Exposure and interest accruing at the then applicable rate provided in this Agreement after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, any of its Subsidiaries or any Guarantor, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), reimbursement obligations (including, without limitation, to reimburse LC Disbursements), obligations to post cash collateral in respect of Letters of Credit, payments in respect of an early termination of Secured Swap Obligations and unpaid amounts, fees, expenses, indemnities, costs, Extraordinary Expenses and all other obligations and liabilities of every nature of the Borrower, any Subsidiary or any Guarantor, whether absolute or contingent, due or to become due, now existing or hereafter arising under this Agreement, the other Loan Documents, any Secured Swap Agreement or any Secured Cash Management Agreement.

"Obligors" has the meaning assigned to such term in the Preamble.

"Oil and Gas Properties" means (a) Hydrocarbon Interests; (b) the Properties now or hereafter pooled or unitized with Hydrocarbon Interests; (c) all presently existing or future unitization, pooling agreements and declarations of pooled units and the units created thereby (including without limitation all units created under orders, regulations and rules of any Governmental Authority) which may affect all or any portion of the Hydrocarbon Interests; (d) all operating agreements, contracts and other agreements, including production sharing contracts and agreements, which relate to any of the Hydrocarbon Interests or the lands pooled or unitized therewith, or the production, sale, purchase, exchange, treatment, processing, handling, storage, transporting or marketing of Hydrocarbons from or attributable to such Hydrocarbon Interests or the lands pooled or unitized therewith; (e) all Hydrocarbons in and under and which may be produced and saved or attributable to the Hydrocarbon Interests or the lands pooled or unitized therewith, including all oil in tanks, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to the Hydrocarbon Interests or the lands pooled or unitized therewith; (f) all tenements, hereditaments, appurtenances and Properties in any manner appertaining, belonging, affixed or incidental to the Hydrocarbon Interests or the lands pooled or unitized therewith and (g) all Properties, rights, titles, interests and estates, real or personal, now owned or hereafter acquired and situated upon, or used, held for use or useful in connection with the operating, working or development of any of such Hydrocarbon Interests or lands pooled or unitized therewith, or with the production, sale, purchase, exchange, treatment, processing, handling, storage, transporting or marketing of Hydrocarbons from or attributable to such Hydrocarbon Interests or the lands pooled or unitized therewith, including any and all oil wells, gas wells, injection wells or other wells, buildings, structures, fuel separators, liquid extraction plants, plant compressors, pumps, pumping units, pipelines, sales and flow lines, gathering lines and systems, field gathering systems, salt water disposal facilities, tanks and tank batteries, processing plants, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, facilities, appliances, tools, implements, cables, wires, towers, casing, tubing and rods, surface leases, rights-of-way, easements, servitudes, licenses and other surface and subsurface rights together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing. Unless otherwise indicated herein, each reference to the term "Oil and Gas Properties" shall mean Oil and Gas Properties of the Obligors or their respective Subsidiaries.

"One Month Interest Period" has the meaning assigned to such term in Section 2.03.

"Ongoing Swaps" has the meaning assigned to such term in Section 9.18.

"Organizational Documents" means, with respect to any Person, its charter, certificate or articles of incorporation or formation, bylaws, articles of organization, limited liability agreement, operating agreement, members agreement, shareholders agreement, partnership agreement, certificate of partnership, certificate of formation, voting trust agreement, or similar agreement or instrument governing the formation or operation of such Person.

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

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 5.04).

"Parent Guarantor" has the meaning assigned to such term in the Preamble.

"Participant" has the meaning set forth in Section 12.04(c).

"Participant Register" has the meaning set forth in Section 12.04(c).

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

"Permitted Disposition" has the meaning set forth in Section 9.12.

"Permitted Refinancing Debt" means Debt (for purposes of this definition, "new Debt") incurred in exchange for, or proceeds of which are used to extend, renew, replace, defease, discharge, refund, refinance or otherwise retire for value, in whole or in part (for purposes of this definition, a "Refinancing"), any other Debt or any Permitted Refinancing Debt theretofore incurred (for purposes of this definition, as applicable, the "Refinanced Debt"); provided that (a) such new Debt is in an aggregate principal amount not in excess of the sum of (i) the original principal amount of the Refinanced Debt and (ii) an amount necessary to pay any fees, expenses, accrued but unpaid interest and premiums related to such Refinancing plus any original issue discount associated with such new Debt, (b) such new Debt has a stated maturity no earlier than the date that is 180 days after the Maturity Date and (c) such new Debt (and any guarantees thereof) is subordinated in right of payment to the Obligations (or, if applicable, the Guaranty Agreement) to at least the same extent as the Refinanced Debt or is otherwise subordinated on terms reasonably satisfactory to the Administrative Agent.

"Permitted Holder" means a Person or group issued Equity Interests on the Effective Date as part of the Plan Sale or any Affiliate of such Person or group.

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

"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 and which (a) is currently sponsored, maintained or contributed to by the Borrower, a Subsidiary or an ERISA Affiliate or (b) was at any time during the six calendar years preceding the date hereof, sponsored, maintained or contributed to by the Borrower or a Subsidiary and with respect to which the Borrower or a Subsidiary may have any liability, including on account of an ERISA Affiliate.

"Plan Effective Date" has the meaning assigned to such term in the Recitals.

"Plan Lender Paydown" means the cash payments equal to the sum of (i) $300,000,000 from cash proceeds of the Plan Sale plus (ii) $197,811,207.84 from the Borrower's restricted account maintained with Wells Fargo Bank; provided, that the Borrower and the Parent Guarantor shall be in compliance with Section 3.04(c)(iv) on a pro forma basis after giving effect to the Plan Lender Paydown.

"Plan of Reorganization" has the meaning assigned to such term in the Recitals.

"Plan Sale" means the issuance of the new convertible preferred Equity Interests of the Parent Guarantor to the Sponsors, with an annual dividend rate not to exceed 6% payable quarterly, as set forth in the Plan of Reorganization, the net proceeds of which shall not be less than $335,000,000.

"Prepetition Administrative Agent" has the meaning assigned to such term in the Recitals.

"Prepetition Borrower" has the meaning assigned to such term in the Recitals.

"Prepetition Claims" has the meaning assigned to such term in the Recitals.

"Prepetition Credit Agreement" has the meaning assigned to such term in the Recitals.

"Prepetition Lenders" has the meaning assigned to such term in the Recitals.

"Prepetition Mortgage" means each of those certain mortgages and deeds of trust, fixture filings, assignments of as-extracted collateral, security agreements and financing statements executed and delivered by the Prepetition Borrower, as the "grantor" or "mortgagor," for the benefit of the Prepetition Administrative Agent, as amended, amended and restated, supplemented and modified prior to the date hereof, and recorded in the office designated for the filing of a record of a mortgage, deed of trust or financing statement in, among others, the jurisdictions set forth in Annex III hereto.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by Wells Fargo Bank as its prime rate in effect at its principal office in City of Houston; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective. Such rate is set by Wells Fargo Bank as a general reference rate of

interest, taking into account such factors as Wells Fargo Bank may deem appropriate; it being understood that many of Wells Fargo Bank's commercial or other loans are priced in relation to such rate, that it is not necessarily the lowest or best rate actually charged to any customer and that Wells Fargo Bank may make various commercial or other loans at rates of interest having no relationship to such rate.

"Pro Forma Compliance" means, for any date of determination, that the Borrower is in pro forma compliance with the financial covenant set forth in Section 9.01(a), as such ratio is recomputed using (a) Total Debt as of such date and (b) EBITDAX for the period of four fiscal quarters ending on the last day of the fiscal quarter immediately preceding the date of determination for which financial statements are available; provided that for the purposes of clause (b), EBITDAX shall only be adjusted for Acquisitions, Dispositions and Liquidations of Swap Agreements outside of the ordinary course of business, to the extent that the aggregate consideration in respect of all such transactions exceeds the lesser of (i) $25,000,000 and (ii) five percent (5%) of the Borrowing Base during the period from the first day of such four fiscal quarter period to the date of any determination.

"Professional Fee Escrow Account" means an escrow account for professional fees funded in accordance with the Plan of Reorganization; provided no additional deposits shall be permitted to such account by any Obligor; provided further, such account shall cease to be an Excluded Account when the Professional Fees permitted by the Plan of Reorganization have been paid in full.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including, without limitation, cash, securities, accounts and contract rights.

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

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

"Proved Reserves" has the meaning assigned to such term in the Definitions for Oil and Gas Reserves as promulgated by the Society of Petroleum Engineers (or any generally recognized successor) as in effect at the time in question.

"PV-10" means, as of any date of determination, the present value of (i) future cash flows from Proved Reserves included in the Oil and Gas Properties, as set forth in the most recent Reserve Report delivered pursuant to Section 8.11(a), utilizing (a) a 10% discount rate and (b) Strip Pricing, in each case based upon the economic assumptions consistent with the Administrative Agent's lending practices at the time of determination; provided that the present value of future cash flows from such Proved Reserves categorized as other than "proved developed producing" or "proved developed non-producing" in accordance with the petroleum reserves definitions promulgated by the Society of Petroleum Engineers (or any generally recognized successor) as in effect at the time in question shall not exceed forty percent (40%) of PV-10 plus (ii) the mark-to-market of Swap Agreements.

"RCRA" has the meaning assigned to such term in the definition of Environmental Laws.

"Recipient" means (a) the Administrative Agent, (b) any Lender and (c) the Issuing Bank, as applicable.

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

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

"Reference Period" means any period of four consecutive fiscal quarters.

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

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

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, agents and advisors (including attorneys, accountants and experts), controlling Persons, holders of Equity Interests, partners, members, trustees, managers, administrators and other representatives of such Person and such Person's Affiliates, and the respective successors and assigns of each of the foregoing.

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

"Remedial Work" has the meaning assigned to such term in Section 8.10(a)(i).

"Required Lenders" means, at any time while no Loans or LC Exposure is outstanding, Lenders having at least sixty-six and two-thirds percent (66-2/3%) of the Aggregate Maximum Credit Amounts of all Lenders; and at any time while any Loans or LC Exposure is outstanding, Lenders holding at least sixty-six and two-thirds percent (66-2/3%) of the outstanding aggregate principal amount of the Loans and participation interests in Letters of Credit of all Lenders (without regard to any sale by a Lender of a participation in any Loan under Section 12.04(c)); provided that the Maximum Credit Amounts and the principal amount of the Loans and participation interests in Letters of Credit of the Defaulting Lenders (if any) shall be excluded from the determination of Required Lenders; provided further, that if there are three or fewer Lenders, then all Lenders constitute the "Required Lenders."

"Reserve Coverage Ratio" means, on any date of determination, the ratio of (a) PV-10 as of such date to (b) Total Debt as of such date.

"Reserve Report" means a report, in form and substance reasonably satisfactory to the Administrative Agent, setting forth, as of each January 1st (for each annual independent report) and July 1st (for each annual internal report) (or, in either case, such other date in the event of an Interim Redetermination to the extent required hereunder) the oil and gas reserves attributable to the Oil and Gas Properties of the Obligors, together with a projection of the rate of production and future net income, Taxes, operating expenses and capital expenditures with respect thereto as of such date, based upon the pricing assumptions consistent with the Administrative Agent's lending requirements at the time.

"Responsible Officer" means, as to any Person, the Chief Executive Officer, the President, any Financial Officer or any Vice President of such Person. Any document delivered hereunder that is signed by a Responsible Officer of an Obligor shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Obligor and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Obligor. Unless otherwise specified, all references to a Responsible Officer herein means a Responsible Officer of the Borrower.

"Restricted Payment" means (a) any dividend or other distribution (whether in cash, securities or other Property) with respect to any Equity Interests in Parent Guarantor, the Borrower or any of its Subsidiaries, or any payment (whether in cash, securities or other Property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in Parent Guarantor, the Borrower or any of its Subsidiaries or any option, warrant or other right to acquire any such Equity Interests in Parent Guarantor, the Borrower or any of its Subsidiaries or (b) any payment of management fees, advisory fees or similar fees by Parent Guarantor, any Obligor or any Subsidiary to any of the holders of their Equity Interests or any Affiliates thereof.

"Restructuring Proceedings" has the meaning assigned to such term in the Recitals.

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

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

"Sale and Leaseback Transaction" means, with respect to any Person, any arrangement, directly or indirectly, whereby such Person shall sell or transfer any Property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such Property or other Property that it intends to use for substantially the same purpose or purposes as the Property being sold or transferred.

"Sanctioned Country" means, at any time, a country, region, or territory which is, or whose government is, the subject or target of any Sanctions broadly restricting or prohibiting dealings with such country, region, territory or government (currently, Cuba, Iran, North Korea, Sudan, Syria and the Crimea region of Ukraine).

"Sanctioned Person" means, at any time, any Person with whom dealings are restricted or prohibited under Sanctions, including (a) any Person listed in any Sanctions-related list of designated or identified Persons maintained by the United States (including by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or the U.S. Department of Commerce), the United Nations Security Council, the European Union or any of its member states, Her Majesty's Treasury, Switzerland or any other relevant authority, (b) any Person located, organized, operating or resident in, or any Governmental Authority or governmental instrumentality of, a Sanctioned Country or (c) any Person directly or indirectly owned by, controlled by, or acting for the benefit or on behalf of, any Person described in clauses (a) or (b) hereof.

"Sanctions" means economic or financial sanctions or trade embargoes or restrictive measures enacted, imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or the U.S. Department of Commerce, (b) the United Nations Security Council; (c) the European Union or any of its member states; (d) Her Majesty's Treasury; (e) Switzerland; or (f) any other relevant authority.

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

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

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

"Secured Cash Management Agreement" means a Cash Management Agreement between (a) any Obligor and (b) a Secured Cash Management Provider.

"Secured Cash Management Obligations" means any and all amounts and other obligations owing by any Obligor to any Secured Cash Management Provider under any Secured Cash Management Agreement.

"Secured Cash Management Provider" means a Lender, an Affiliate of a Lender, the Administrative Agent or an Affiliate of the Administrative Agent.

"Secured Parties" means, collectively, the Administrative Agent, the Issuing Bank, each Lender, each Secured Swap Party that is party to any Secured Swap Agreement, each Secured Cash Management Provider that is party to a Secured Cash Management Agreement, Indemnitees, and each subagent appointed by the Administrative Agent pursuant to Section 11.05.

"Secured Swap Agreement" means any Swap Agreement between any Obligor and any Person that entered into such Swap Agreement prior to the time, or during the time, that such Person was a Lender or an Affiliate of a Lender that is an Approved Counterparty (including any such Swap Agreement in existence prior to the date hereof), even if such Person subsequently ceases to be a Lender (or an Affiliate of a Lender that is an Approved Counterparty) for any reason (any such Person, a "Secured Swap Party"); provided that, for the avoidance of doubt, the term "Secured Swap Agreement" shall not include any Swap Agreement or transactions under any Swap Agreement entered into after the time that such Secured Swap Party ceases to be a Lender or an Affiliate of a Lender.

"Secured Swap Obligations" means all amounts and other obligations owing to any Secured Swap Party under any Secured Swap Agreement (other than Excluded Swap Obligations).

"Secured Swap Party" has the meaning assigned to such term in the definition of Secured Swap Agreement.

"Security Agreement" means the Security Agreement, substantially in the form attached hereto as Exhibit E, executed by the Obligors, in favor of the Administrative Agent for the benefit of the Secured Parties.

"Security Instruments" means collectively the Security Agreement and each of the other security agreements, pledge agreements, intellectual property security agreements, financing statements, mortgages, deeds of trust and other agreements, instruments or certificates, intellectual property security agreements, deposit account control agreements, securities account control agreements, and any and all other agreements or instruments now or hereafter executed deemed necessary or advisable by the Administrative Agent to perfect the security interest and Liens in favor of the Lenders or otherwise delivered by the Borrower or any other Obligor (other than Swap Agreements with the Lenders or any Affiliate of a Lender or participation or similar agreements between any Lender and any other lender or creditor with respect to any Obligations pursuant to this Agreement) in connection with, or as security for the payment or performance of the Obligations, the Notes, this Agreement, or reimbursement obligations under the Letters of Credit, as such agreements may be amended, modified, supplemented or restated from time to time.

"Solvency Certificate" means the Solvency Certificate substantially in the form of Exhibit I.

"Solvent" means with respect to any Person (a) the aggregate assets of such Person at a fair valuation exceed the aggregate Debt of such Person, (b) such Person has not incurred, and does not intend to incur, and does not believe that they will incur or have incurred Debt beyond their ability to pay such Debt (after taking into account the timing and amounts of cash to be received by such Person and the timing and amounts to be payable on or in respect of such Person's liabilities) as such Debt becomes absolute and matures, and (c) such Person does not have (and does not have reason to believe such Person will have at any time) unreasonably small capital for the conduct of its business.

"Sponsors" means the members of the ad hoc group of unsecured noteholders identified in the Plan of Reorganization proposing to invest new equity in the Parent Guarantor by way of the Plan Sale.

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

"Strip Pricing" means the average closing price over the preceding ninety (90) days prior to the date of the applicable Reserve Report, (a) for the remainder of the then-current calendar year, the average NYMEX Pricing for the remaining months in such calendar year, (b) for each of the succeeding four (4) complete calendar years, the average NYMEX Pricing for the twelve months in each such calendar year, and (c) for the succeeding fifth complete calendar year and each calendar year thereafter, the average NYMEX Pricing for the twelve months in such fifth calendar year.

"Subsidiary" means, with respect to any Person (the "parent") at any date, any other Person the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other Person (a) of which Equity Interests representing more than 50% of the equity or more than 50% of the ordinary voting power (irrespective of whether or not at the time Equity Interests of any other class or classes of such Person shall have or might have voting power by reason of the happening of any contingency) or, in the case of a partnership, any general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent; provided that Lake Canyon Transportation and Gathering, LLC, a Utah limited liability company of which the Borrower owns, controls and holds 37.5% of such entity's limited liability company interests as of the Effective Date, shall not be deemed a "Subsidiary" hereunder until the earlier to occur of (i) the date on which the Borrower shall own, control or hold more than 50% of such entity's limited liability company interests, (ii) the date on which Lake Canyon Transportation and Gathering, LLC shall acquire any oil and gas properties, and (iii) the date on which the Borrower makes any additional Investment in Lake Canyon Transportation and Gathering, LLC.

"Subsidiary Guarantor" means any direct or indirect Subsidiary of the Parent Guarantor or the Borrower.

"Supplemental Information" has the meaning provided in Section 2.07(c)(i).

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

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

"Synthetic Leases" means, in respect of any Person, all leases which shall have been, or should have been, in accordance with GAAP, treated as operating leases on the financial statements of the Person liable (whether contingently or otherwise) for the payment of rent thereunder and which were properly treated as indebtedness for borrowed money for purposes of U.S. federal income Taxes, if the lessee in respect thereof is obligated to either purchase for an amount in excess of, or pay upon early termination an amount in excess of, 80% of the residual value of the Property subject to such operating lease upon expiration or early termination of such lease.

"Tax Group" has the meaning assigned to such term in Section 9.04(c).

"Taxes" means any and all present or future taxes, levies, imposts, duties, deductions, charges and withholdings imposed, administered or assessed by any Governmental Authority including any interest, additions to tax or penalties applicable thereto.

"Termination Date" means the earlier of the Maturity Date and the date of termination of the Commitments.

"Total Debt" means, at any date, all Debt of the Parent Guarantor and the Consolidated Subsidiaries on a consolidated basis, arising under in respect of (a) obligations of such Person for borrowed money or evidenced by bonds, bankers' acceptances, debentures, notes or other similar instruments; (b) obligations of such Person (whether contingent or otherwise) in respect of letters of credit, and (c) all obligations in respect of Capital Leases and purchase money indebtedness.

"Total Net Debt" means, at any determination date, Total Debt minus the sum of (a) unrestricted cash and Cash Equivalents of the Obligors maintained in deposit accounts subject to first priority liens in favor of the Administrative Agent for the benefit of the Lenders, (b) all accounts payable and all accrued expenses, liabilities or other obligations of such Person to pay the deferred purchase price of property or services that are more than ninety (90) days past the due date thereof other than those which are being contested in good faith, (c) advance payments received to deliver commodities, goods or services, including, without limitation, Hydrocarbons, other than gas balancing arrangements in the ordinary course of business, to the extent such obligation is continuing and such advance remains unearned, and (d) the undischarged balance of any production payment created by such Person or for the creation of which such Person directly or indirectly received payment.

"Transactions" means (a) the consummation of the reorganization and transactions contemplated by the Plan of Reorganization, (b) with respect to the Borrower, the execution, delivery and performance by the Borrower of this Agreement and each other Loan Document to which it is a party, the borrowing of Loans, the use of the proceeds thereof and the issuance of Letters of Credit hereunder, and the grant of Liens by the Borrower on Mortgaged Properties and other Properties pursuant to the Security Instruments, (c) with respect to each Guarantor, the execution, delivery and performance by such Guarantor of each Loan Document to which it is a party, the guaranteeing of the Obligations under the Guaranty Agreement by such Guarantor and such Guarantor's grant of the security interests and provision of collateral under the Security Instruments, and the grant of Liens by such Guarantor on Mortgaged Properties and other Properties pursuant to the Security Instruments and (d) each Obligor and its subsidiaries the payment of fees and expenses in connection with all of the foregoing."Type", when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Alternate Base Rate or the Adjusted LIBO Rate.

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

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

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

"USA PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56), as amended.

"Wells Fargo Bank" has the meaning assigned to such term in the Preamble.

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

"Wholly-Owned Subsidiary Guarantor" means any Wholly-Owned Subsidiary of the Borrower that is a Guarantor.

"Withholding Agent" means the Borrower, the Guarantors and the Administrative Agent.

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

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

Section 1.05 Accounting Terms and Determinations; GAAP. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all determinations with respect to accounting matters hereunder shall be made, and all financial statements and certificates and reports as to financial matters required to be furnished to the Administrative

Agent or the Lenders hereunder shall be prepared, in accordance with GAAP, applied on a basis consistent with the Financial Statements except for changes in which Borrower's independent certified public accountants concur and which are disclosed to the Administrative Agent on the next date on which financial statements are required to be delivered to the Lenders pursuant to Section 8.01(a); provided that, unless the Borrower and the Majority Lenders shall otherwise agree in writing, no such change shall modify or affect the manner in which compliance with the covenants set forth in Section 9.01 is computed such that all such computations shall be conducted utilizing financial information presented consistently with prior periods. In the event that any Accounting Change shall occur and such change results in a change in the method or result of calculation of financial covenants, standards or terms, then the Lenders and the Obligors shall enter into negotiations in order to amend such provisions of the Loan Documents so as to equitably reflect such Accounting Changes with the desired result that the criteria for evaluating the Obligors' financial condition shall be the same after such Accounting Changes as if such Accounting Changes had not been made. Until such time as such an amendment shall have been executed and delivered by the Obligors, the Administrative Agent and the Majority Lenders, all financial covenants, standards and terms in the Loan Documents shall continue to be calculated or construed as if such Accounting Changes had not occurred.

ARTICLE II
THE CREDITS

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

Section 2.02 Loans and Borrowings.

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

(b) Effective Date Borrowings. Subject to the terms and conditions set forth herein, and in accordance with the terms and conditions of the Plan of Reorganization, on the Effective Date, the Lenders are deemed to have made Eurodollar Loans with an Interest Period of three (3) months in an amount equal to $400,000,000 to the Borrower ratably in accordance with their respective Applicable Percentages.

(c) Types of Loans. Subject to Section 3.03, each Borrowing shall be comprised entirely of ABR Loans or Eurodollar Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(d) Minimum Amounts; Limitation on Number of Borrowings. At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of $100,000 and not less than $500,000. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of $100,000 and not less than $500,000; provided that, notwithstanding the foregoing, an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.08(e). Borrowings of more than one Type may be outstanding at the same time; provided that there shall not at any time be more than a total of twelve (12) Eurodollar Borrowings outstanding. Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

(e) Notes. Any Lender may request that the Loans made by it be evidenced by a single promissory note of the Borrower in substantially the form of Exhibit A, dated, in the case of (i) any Lender party hereto as of the date of this Agreement, as of the date of this Agreement, or (ii) any Lender that becomes a party hereto pursuant to an Assignment and Assumption, as of the effective date of the Assignment and Assumption, payable to such Lender in a principal amount equal to its Maximum Credit Amount as in effect on such date, and otherwise duly completed. In the event that any Lender's Maximum Credit Amount increases or decreases for any reason (whether pursuant to Section 2.06, Section 12.04(b) or otherwise), upon the request of such Lender, the Borrower shall deliver or cause to be delivered on the effective date of such increase or decrease, a new Note payable to such Lender in a principal amount equal to its Maximum Credit Amount after giving effect to such increase or decrease, and otherwise duly completed and, upon request of the Borrower, such Lender shall promptly return to the Borrower the previously issued Note held by such Lender. The date, amount, Type, interest rate and, if applicable, Interest Period of each Loan made by each Lender, and all payments made on account of the principal thereof, shall be recorded by such Lender on its books for its Note, and, prior to any transfer, may be endorsed by such Lender on a schedule attached to such Note or any continuation thereof or on any separate record maintained by such Lender. Failure to make any such notation or to attach a schedule shall not affect any Lender's or the Borrower's rights or obligations in respect of such Loans or affect the validity of such transfer by any Lender of its Note.

Section 2.03 Requests for Borrowings.

(a) To request a Borrowing, the Borrower shall notify the Administrative Agent of such request by telephone (a) in the case of a Eurodollar Borrowing, not later than 12:00 noon, City of Houston time, three Business Days before the date of the proposed Borrowing or (b) in the case of an ABR Borrowing, not later than 11:00 a.m., City of Houston time, on the date of the proposed Borrowing; provided that no such notice shall be required for any deemed request of an ABR Borrowing to finance the reimbursement of an LC Disbursement as provided in Section 2.08(e). Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery, telecopy or electronic communication to the Administrative Agent of a written Borrowing Request in substantially the form of Exhibit B and signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02 and Section 6.02:

(i) the aggregate amount of the requested Borrowing;

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

(iii) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing;

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

(v) the amount of the then effective Borrowing Base, the current total Revolving Credit Exposures (without regard to the requested Borrowing) and the *pro forma* total Revolving Credit Exposures (giving effect to the requested Borrowing);

(vi) the location and number of the Borrower's account to which funds are to be disbursed, which shall be a Controlled Proceeds Account and shall comply with the requirements of Section 2.05;

(vii) the Consolidated Cash Balance (without regard to the requested Borrowing) and the *pro forma* Consolidated Cash Balance (giving effect to the requested Borrowing and receipts and disbursements anticipated in good faith for such Business Day); and

(viii) each of the conditions set forth in Section 6.02 has been satisfied.

(b) If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration (a "One Month Interest Period").

(c) Each Borrowing Request shall constitute a representation that the (i) amount of the requested Borrowing shall not cause the total Revolving Credit Exposures to exceed the total Commitments (i.*e.*, the lesser of the Aggregate Maximum Credit Amounts and the then effective Borrowing Base) and (ii) that as of the close of business on Wednesday of the week such Requested Borrowing will be funded(or, if Wednesday is not a Business Day, on the immediately following Business Day) (such date, the "Consolidated Cash Measurement Date"), after giving *pro forma* effect to the requested Borrowing and receipts and disbursements anticipated in good faith, the Consolidated Cash Balance shall not exceed $40,000,000.

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

Section 2.04 Interest Elections.

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

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

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

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

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

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and

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

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected a One Month Interest Period.

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

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

Section 2.05 Funding of Borrowings.

(a) Funding by Lenders. Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 1:00 p.m., City of Houston time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account of the Borrower that is a Controlled Proceeds Account and designated by the Borrower in the applicable Borrowing Request; provided that ABR Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.08(e) shall be remitted by the Administrative Agent to the Issuing Bank. Nothing herein shall be deemed to obligate any Lender to obtain the funds for its Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for its Loan in any particular place or manner.

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

Section 2.06 Termination and Reduction of Aggregate Maximum Credit Amounts.

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

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

(i) The Borrower may at any time terminate, or from time to time reduce, the Aggregate Maximum Credit Amounts; provided that (A) each reduction of the Aggregate Maximum Credit Amounts shall be in an amount that is an integral multiple of $500,000 and not less than $1,000,000 and (B) the Borrower shall not terminate or reduce the Aggregate Maximum Credit Amounts if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 3.04(c)(i), the total Revolving Credit Exposures would exceed the total Commitments.

(ii) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Aggregate Maximum Credit Amounts under Section 2.06(b)(i) at least three (3) Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered

by the Borrower pursuant to this Section 2.06(b)(ii) shall be irrevocable; provided that such notice may be conditioned upon the consummation of a refinancing or other identified event and such notice may be extended or revoked by a written notice to the Administrative Agent on or before the date of the scheduled termination or reduction in the event such refinancing or other identified event is delayed or otherwise fails, in each case, with the requirements of Section 5.02 to apply to any failure of such condition to occur and any such extension or revocation. Any termination or reduction of the Aggregate Maximum Credit Amounts shall be permanent and may not be reinstated. Each reduction of the Aggregate Maximum Credit Amounts shall be made ratably among the Lenders in accordance with each Lender's Applicable Percentage.

Section 2.07 Borrowing Base.

(a) Initial Borrowing Base. For the period from and including the Effective Date to but excluding the first Redetermination Date, the amount of the Borrowing Base shall be $550,000,000. Notwithstanding the foregoing, the Borrowing Base may be subject to further adjustments from time to time pursuant to Section 2.07(b), Section 2.07(e), Section 2.07(f), or Section 8.13(c).

(b) Scheduled and Interim Redeterminations. The Borrowing Base shall be redetermined semi-annually in accordance with this Section 2.07 (each a "Scheduled Redetermination"), and, subject to Section 2.07(d), such redetermined Borrowing Base shall become effective and applicable to the Borrower, the Administrative Agent, the Issuing Bank and the Lenders on April 1st and October 1st of each year, commencing on the earlier of (i) October 1, 2018 and (ii) the Borrower's written request for the Administrative Agent to conduct a Borrowing Base Redetermination prior to October 1, 2018 (the "First Scheduled Borrowing Base Redetermination"). In addition, the Borrower may, by notifying the Administrative Agent thereof, and the Administrative Agent may, and shall at the direction of the Required Lenders, by notifying the Borrower thereof, one time each between successive Scheduled Redeterminations (in the case of a Lender requested redetermination, beginning after the First Scheduled Borrowing Base Redetermination), each elect to cause the Borrowing Base to be redetermined between successive Scheduled Redeterminations (each, an "Interim Redetermination") in accordance with this Section 2.07.

(c) Scheduled and Interim Redetermination Procedure.

(i) Each Scheduled Redetermination and each Interim Redetermination shall be effectuated as follows: upon receipt by the Administrative Agent of (A) the Reserve Report and the certificate required to be delivered by the Borrower to the Administrative Agent, in the case of a Scheduled Redetermination, pursuant to Section 8.12(a) and (c), and, in the case of an Interim Redetermination, pursuant to Section 8.12(b) and (c), and (B) such other reports, data and supplemental information, including, without limitation, the information provided pursuant to Section 8.12(c), as may, from time to time, be reasonably requested by the Administrative Agent or the Majority Lenders (such reports, data, information and supplemental information referred to in this clause (B) collectively as the "Supplemental Information") (the Reserve Report, such certificate and such Supplemental Information being collectively the "Engineering Reports"), the Administrative Agent shall evaluate the information contained in the Engineering Reports and shall, in its sole discretion, consistent with the normal and customary oil and gas lending practices of the Administrative Agent, propose a new Borrowing Base (the "Proposed Borrowing Base") based upon such information and such other information (including the status of title, information with respect to the Oil and Gas Properties as described in the Engineering Reports and the existence of any other Debt) as the Administrative Agent deems appropriate in its sole discretion and consistent with its normal oil and gas lending criteria as it exists at the particular time. In no event shall the Proposed Borrowing Base exceed the Aggregate Maximum Credit Amounts.

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

(A) in the case of a Scheduled Redetermination (1) if the Administrative Agent shall have received the complete Engineering Reports required to be delivered by the Borrower, including the Reserve Reports required to be delivered pursuant to Section 8.12(a) and (c) and the Supplemental Information required to be delivered pursuant to Section 2.07(c)(i) on or before March 1st or September 1st, as applicable, then on or before March 15th and September 15th of such year following the date of delivery, as applicable or (2) if the Administrative Agent shall not have received the complete Engineering Reports including the Reserve Reports required to be delivered pursuant to Section 8.12(a) and (c) and the Supplemental Information required to be delivered pursuant to Section 2.07(c)(i) on or before March 1st or September 1st, as applicable, then promptly after the Administrative Agent has received such complete Engineering Reports from the Borrower and has had a reasonable opportunity (which may be more than 15 days) to determine the Proposed Borrowing Base in accordance with Section 2.07(c)(i); and

(B) in the case of an Interim Redetermination, promptly, and in any event, within fifteen (15) days after the Administrative Agent has received the required Engineering Reports.

(iii) Any Proposed Borrowing Base that would increase the Borrowing Base then in effect must be approved or deemed to have been approved (in each Lender's sole discretion) by all of the Lenders as provided in this Section 2.07(c)(iii); and any Proposed Borrowing Base that would decrease or maintain the Borrowing Base then in effect must be approved or be deemed to have been approved by the Required Lenders (in each Lender's sole discretion in accordance with its normal oil and gas lending criteria as it exists at the particular time) as provided in this Section 2.07(c)(iii). Upon receipt of the Proposed Borrowing Base Notice, each Lender shall have fifteen (15) days to agree with the Proposed Borrowing Base or disagree with the Proposed Borrowing Base by proposing an alternate Borrowing Base. All decisions regarding the Borrowing Base hereunder shall be made by each Lender in its sole discretion in accordance with its normal oil and gas lending criteria as it exists at the particular time. If by the end of such fifteen (15) days, any Lender has not communicated its approval or disapproval by proposing an alternate Borrowing Base in writing to the Administrative Agent, such silence shall be deemed to be an approval of the Proposed Borrowing Base. If, by the end of such 15-day period, all of the Lenders, in the case of a Proposed Borrowing Base that would increase the Borrowing Base then in effect, or the Required Lenders, in the case of a Proposed Borrowing Base that would decrease or maintain the Borrowing Base then in effect, have approved or deemed to have approved, as aforesaid, then the Proposed Borrowing Base shall become the new Borrowing Base, effective on the date specified in Section 2.07(d). If, however, at the end of such 15-day period, all of the Lenders or the Required Lenders, as applicable, have not approved or been deemed to have approved the Proposed Borrowing Base, then the Administrative Agent shall poll the Lenders to ascertain the highest Borrowing Base then acceptable to (x) in the case of a decrease or reaffirmation, a number of Lenders sufficient to constitute the Required Lenders and (y) in the case of an increase, all of the Lenders, and such amount shall become the new Borrowing Base, effective on the date specified in Section 2.07(d). For the avoidance of doubt, in connection with any redetermination of the Borrowing Base, any Lender that has approved or is deemed to have approved a Proposed Borrowing Base (or a Borrowing Base as a result of a polling) at a particular amount shall be deemed to have approved a Borrowing Base at a lower amount.

(d) Effectiveness of a Redetermined Borrowing Base. After a redetermined Borrowing Base is approved or is deemed to have been approved by all of the Lenders or the Required Lenders, as applicable, pursuant to Section 2.07(c)(iii), the Administrative Agent shall notify the Borrower and the Lenders of the amount of the redetermined Borrowing Base (the "New Borrowing Base Notice"), and such amount shall become the new Borrowing Base, effective and applicable to the Borrower, the Administrative Agent, the Issuing Bank and the Lenders:

(i) in the case of a Scheduled Redetermination, (A) if the Administrative Agent shall have received the complete Engineering Reports required to be delivered by the Borrower, including the Reserve Reports required to be delivered pursuant to Section 8.12(a) and (c) and the Supplemental Information required to be delivered pursuant to Section 2.07(c)(i) in a timely and complete manner, then on April 1st or October 1st, as applicable, following such notice, or (B) if the Administrative Agent shall not have received the complete Engineering Reports required to be delivered by the Borrower, including the Reserve Reports required to be delivered pursuant to Section 8.12(a) and (c) and the Supplemental Information required to be delivered pursuant to Section 2.07(c)(i) in a timely and complete manner, then on the Business Day next succeeding delivery of such notice; and

(ii) in the case of an Interim Redetermination, on the Business Day next succeeding delivery of such notice.

Such amount shall then become the Borrowing Base until the next Scheduled Redetermination Date, the next Interim Redetermination Date or the next adjustment to the Borrowing Base under Section 2.07(e), Section 2.07(f), or Section 8.13(c), whichever occurs first.

Notwithstanding the foregoing, no Scheduled Redetermination or Interim Redetermination shall become effective until the New Borrowing Base Notice related thereto is received by the Borrower.

(e) Reduction of Borrowing Base Related to Swap Agreements and Disposition of Oil and Gas Properties. If (i) any Swap Agreement to which the Borrower or a Guarantor is a party is Liquidated and (ii) the Borrowing Base value attributable to the Liquidated portion thereof (as determined by the Administrative Agent) when combined with (a) the Borrowing Base value (as determined by the Administrative Agent) of any other Liquidated Swap Agreements Liquidated between two successive Scheduled Redetermination Dates and (b) the Borrowing Base value as determined by the Administrative Agent of any Oil and Gas Properties sold or otherwise disposed of (other than any such sale or Disposition between Obligors) between either (x) the Effective Date and the First Scheduled Borrowing Base Redetermination or (y) any two successive Scheduled Redetermination Dates equals or exceeds five percent (5%) of the Borrowing Base as then in effect at the time of such Liquidation or sale or other Disposition of any Oil and Gas Properties, then the Borrowing Base shall be reduced effective immediately upon such Liquidation, sale or other Disposition, by an amount equal to the Borrowing Base value attributed to such property or Swap Agreement, as determined by the vote of the Required Lenders, which reduction shall not exceed the amount of the net cash proceeds received by the Borrower or its Subsidiaries from such sale or disposition made at Fair Market Value or Liquidated Swap Agreements; provided, however, if such Disposition is an asset swap and the

Borrowing Base value attributable by the Administrative Agent to such swapped assets is equal to or in excess of five percent (5%) of the Borrowing Base then in effect at the time of such asset swap (as determined by the Administrative Agent in its reasonable discretion), then the Borrowing Base shall be re-determined, effective immediately upon such swap or exchange, and reduced by an amount equal to such Borrowing Base value attributed to such swapped property as offset by the Borrowing Base value attributed to the assets so acquired, as determined by the vote of the Required Lenders to affirm or reduce the Borrowing Base.

(f) Reduction of Borrowing Base Related to Issuance of Junior Indebtedness. Following the First Scheduled Borrowing Base Redetermination, upon the issuance of any Junior Indebtedness, the Borrowing Base shall be reduced on the date of such issuance in an aggregate amount equal to twenty-five percent (25%) of the aggregate outstanding principal amount of such Junior Indebtedness issued on such date; it being agreed and understood that if the Borrower elects to accelerate the First Scheduled Borrowing Base Redetermination in order to facilitate the issuance of Junior Indebtedness as permitted herein, the resulting Borrowing Base shall be set pro forma for the planned Junior Indebtedness (contingent upon the actual issuance of said Junior Indebtedness under terms contemplated at that time).

Section 2.08 Letters of Credit.

(a) General. Subject to the terms and conditions set forth herein, including without limitation, Section 6.02 the Borrower may request the issuance of dollar denominated Letters of Credit for its own account or for the account of any of its Subsidiaries, in a form reasonably acceptable to the Administrative Agent and the Issuing Bank, at any time and from time to time during the Availability Period; provided that the Borrower may not request the issuance, amendment, renewal or extension of Letters of Credit hereunder if a Borrowing Base Deficiency exists at such time or would exist as a result thereof. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. On the Effective Date, the Existing Letters of Credit shall be deemed to be Letters of Credit issued pursuant to this Agreement.

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

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

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

(iii) specifying the date on which such Letter of Credit is to expire (which shall comply with Section 2.08(c));

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

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

(vi) specifying the amount of the then effective Borrowing Base and whether a Borrowing Base Deficiency exists at such time, the current Revolving Credit Exposures (without regard to the requested Letter of Credit or the requested amendment, renewal or extension of any outstanding Letter of Credit) and the *pro forma* total Revolving Credit Exposures (giving effect to the requested Letter of Credit or the requested amendment, renewal or extension of an outstanding Letter of Credit); and

(vii) confirming each of the conditions set forth in Section 6.02 has been satisfied.

A Letter of Credit shall be issued, amended, renewed or extended only if (and each notice shall constitute a representation and warranty by the Borrower that), after giving effect to the requested issuance, amendment, renewal or extension, as applicable, (i) the LC Exposure shall not exceed the LC Commitment and (ii) the total Revolving Credit Exposures shall not exceed the total Commitments (i.*e.* the lesser of the Aggregate Maximum Credit Amounts and the then effective Borrowing Base).

If requested by the Issuing Bank, the Borrower also shall submit a letter of credit application on the Issuing Bank's standard form in connection with any request for a Letter of Credit; provided that, in the event of any conflict between such application and the terms of this Agreement, the terms of this Agreement shall control.

(c) Expiration Date. Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) the date that is twelve months after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, twelve months after such renewal or extension; provided that no such renewal or extension shall extend past the date set forth in the following clause (ii) and any Letter of Credit that is otherwise automatically renewable must expressly state on its face that it is not automatically renewable beyond the date set forth in the following clause (ii)) and (ii) the date that is five Business Days prior to the Maturity Date.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuing Bank or the Lenders, the Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from the Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement made by the Issuing Bank and not reimbursed by the Borrower on the date due as provided in Section 2.08(e), or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this Section 2.08(d) in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default, the existence of a Borrowing Base Deficiency or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If the Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement not later than 12:00 noon, City of Houston time, on the date that such LC Disbursement is made, if the Borrower shall have received notice of such LC Disbursement prior to 10:00 a.m., City of Houston time, on such date, or, if such notice has not been received by the Borrower prior to such time on such date, then not later than 12:00 noon, City of Houston time, on (i) the Business Day that the Borrower receives such notice, if such notice is received prior to 10:00 a.m., City of Houston time, on the day of receipt, or (ii) the Business Day immediately following the day that the Borrower receives such notice, if such notice is not received prior to such time on the day of receipt. If the Borrower fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Borrower, in the same manner as provided in Section 2.05 with respect to Loans made by such Lender (and Section 2.05 shall apply, *mutatis mutandis*, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this Section 2.08(e), the Administrative Agent shall distribute such payment to the Issuing Bank or, to the extent that Lenders have made payments pursuant to this Section 2.08(e) to reimburse the Issuing Bank, then to such Lenders and the Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this Section 2.08(e) to reimburse the Issuing Bank for any LC Disbursement shall not constitute a Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Borrower's obligation to reimburse LC Disbursements as provided in Section 2.08(e) shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit, any Letter of Credit Agreement or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit or any Letter of Credit Agreement, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 2.08(f), constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Bank, nor any of their Related Parties shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Bank. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the Issuing Bank (as finally determined by a court of competent jurisdiction), the Issuing Bank shall be deemed to have exercised all requisite care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

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

(h) Interim Interest. If the Issuing Bank shall make any LC Disbursement, then, until the Borrower shall have reimbursed the Issuing Bank for such LC Disbursement, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate per annum then applicable to ABR Loans. Interest accrued pursuant to this Section 2.08(h) shall be for the account of the Issuing Bank, except that interest accrued on and after the date of payment by any Lender pursuant to Section 2.08(e) to reimburse the Issuing Bank shall be for the account of such Lender to the extent of such payment.

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

(j) Cash Collateralization. If (i) any Event of Default shall occur and be continuing and the Borrower receives notice from the Administrative Agent or the Majority Lenders demanding that the Borrower cash collateralize the outstanding LC Exposure, (ii) the Borrower is required to cash collateralize the excess attributable to an LC Exposure in connection with any prepayment pursuant to Section 3.04(c), (iii) the Borrower is required to cash collateralize a Defaulting Lender's LC Exposure pursuant to Section 4.03(c)(iii)(B), or (iv) the Borrower is required to deliver cash collateral, then the Borrower shall pledge and deposit with or deliver to the Administrative Agent (as a first priority, perfected security interest, subject to Excepted Liens that are senior as a matter of law), for the benefit of the Issuing Bank and the Lenders, at a location and pursuant to documentation in form and substance satisfactory to the Administrative Agent, an amount of cash in dollars equal to not less than one hundred and three percent (103%) of such LC Exposure or excess attributable to such LC Exposure, as the case may be, as of such date plus any accrued and unpaid interest thereon; provided that the obligation to

deposit such cash collateral shall become effective immediately, and shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default described in Section 10.01(h) or Section 10.01(i). The Borrower hereby grants to the Administrative Agent, for the benefit of the Issuing Bank and the Lenders, an exclusive first priority subject to Excepted Liens that are senior as a matter of Law and continuing perfected security interest in and Lien on such account and all cash, checks, drafts, certificates and instruments, if any, from time to time deposited or held in such account, all deposits or wire transfers made thereto, any and all investments purchased with funds deposited in such account, all interest, dividends, cash, instruments, financial assets and other Property from time to time received, receivable or otherwise payable in respect of, or in exchange for, any or all of the foregoing, and all proceeds, products, accessions, rents, profits, income and benefits therefrom, and any substitutions and replacements therefor. The Borrower's obligation to deposit amounts pursuant to this Section 2.08(j) shall be absolute and unconditional, without regard to whether any beneficiary of any Letter of Credit has attempted to draw down all or a portion of such amount under the terms of a Letter of Credit, and, to the fullest extent permitted by applicable law, shall not be subject to any defense or be affected by a right of set-off, counterclaim or recoupment which the Borrower or any other Obligor may now or hereafter have against any such beneficiary, the Issuing Bank, the Administrative Agent, the Lenders or any other Person for any reason whatsoever. Such deposit shall be held as collateral securing the payment and performance of the Borrower's and the Guarantors' obligations under this Agreement and the other Loan Documents. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the LC Exposure at such time or, if the maturity of the Loans has been accelerated, be applied to satisfy other obligations of the Obligors under this Agreement and the other Loan Documents. If the Borrower is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default or pursuant to Section 4.03(c)(iii)(B) as a result of a Defaulting Lender, and the Borrower is not otherwise required to cash collateralize the excess attributable to an LC Exposure in connection with any prepayment pursuant to Section 3.04(c), then such amount (to the extent not applied as aforesaid) shall be returned to the Borrower within three Business Days after all Events of Default have been waived or the events giving rise to such cash collateralization pursuant to Section 4.03(c)(iii)(B) have been satisfied or resolved.

ARTICLE III
PAYMENTS OF PRINCIPAL AND INTEREST; PREPAYMENTS; FEES

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

Section 3.02 Interest.

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

(b) Eurodollar Loans. The Loans comprising each Eurodollar Borrowing shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate.

(c) Post-Default Rate and Borrowing Base Deficiency Rate. Notwithstanding the foregoing, (i) if an Event of Default has occurred and is continuing, Eurodollar Loans shall not be available and all Loans outstanding shall bear interest, after as well as before judgment, at a rate per annum equal to two percent (2%) plus the Alternate Base Rate plus the Category V Applicable Margin applicable to ABR Loans, but in no event to exceed the Highest Lawful Rate and (ii) during any Borrowing Base Deficiency, the amount of such Borrowing Base Deficiency shall bear interest, after as well as before judgment, at a rate per annum equal to two percent (2%) plus the Alternate Base Rate plus the Category V Applicable Margin applicable to ABR Loans, but in no event to exceed the Highest Lawful Rate.

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

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

Section 3.03 Alternate Rate of Interest. If prior to the commencement of any Interest Period for a Eurodollar Borrowing:

(a) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate or the LIBO Rate for such Interest Period; or

(b) the Administrative Agent is advised by the Majority Lenders that the Adjusted LIBO Rate or LIBO Rate, as applicable, for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone, telecopy or electronic communication as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (a) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing shall be ineffective, and (b) if any Borrowing Request requests a Eurodollar Borrowing, such Borrowing shall be made as an ABR Borrowing.

Section 3.04 Prepayments.

(a) Optional Prepayments. The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to (i) prior notice in accordance with Section 3.04(b) and (ii) payment of breakage costs in accordance with Section 5.02.

(b) Notice and Terms of Optional Prepayment. The Borrower shall provide written notice to the Administrative Agent by telephone (confirmed by telecopy or, if arrangements for doing so have been approved by the Administrative Agent and the Borrower, by other electronic communication) of any prepayment hereunder (i) in the case of prepayment of a Eurodollar Borrowing, not later than 12:00 noon, City of Houston time, three Business Days before the date of prepayment, or (ii) in the case of prepayment of an ABR Borrowing, not later than 12:00 noon, City of Houston time, one Business Day before the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid, which payment shall be in an integral multiple of $100,000 and not less than $500,000, provided that such notice may be conditioned upon the consummation of a refinancing or other identified event and such notice may be extended or revoked by a written notice to the Administrative Agent on or before the date of the scheduled prepayment in the event such refinancing or other identified event is delayed or otherwise fails, in each case, with the requirements of Section 5.02 to apply to any failure of such condition to occur and any such extension or revocation.. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 3.02 and any payments to the extent required by Section 5.02.

(c) Mandatory Prepayments.

(i) If, after giving effect to any termination or reduction of the Aggregate Maximum Credit Amount pursuant to Section 2.06 (b), the total Revolving Credit Exposure exceeds the Aggregate Maximum Credit Amount as terminated or reduced, then the Borrower shall promptly (A) prepay the Borrowings on the date of such termination or reduction in an aggregate principal amount equal to such excess, and (B) if any excess remains after prepaying all of the Borrowings as a result of an LC Exposure, cash collateralize such excess as provided in Section 2.08(j).

(ii) If at any time, including without limitation, upon any Scheduled Redetermination or Interim Redetermination or adjustment to the amount of the Borrowing Base, if the total Revolving Credit Exposure exceeds the redetermined or adjusted Borrowing Base, then the Borrower shall exercise any one or combination of the following: (A) deliver to the Administrative Agent reserve engineering and mortgages covering such Oil and Gas Properties of the Obligors or their respective Subsidiaries not previously covered by the Security Instruments with a value and quality satisfactory to the Required Lenders in their sole discretion sufficient to eliminate such Borrowing Base Deficiency or (B) prepay in cash the Borrowings in an aggregate principal amount equal to such excess after giving effect to any action taken under clause (A) immediately above, and if any excess remains after prepaying all of the Borrowings as a result of an LC Exposure, pay to the Administrative Agent on behalf of the Lenders an amount equal to

such excess to be held as cash collateral as provided in Section 2.08(j); provided, that the Borrower may make such prepayment and/or deposit of cash collateral in six successive equal monthly payments and/or deposits; provided that the first of such equal monthly payments and/or deposits is to be made no later than 30 days after the Borrower receives written notice from the Administrative Agent of the newly effective Borrowing Base). The Borrower shall be obligated to deliver the reserve engineering and mortgages described in clause (A) immediately above, and/or to commence the payments described in clause (B) immediately above, on the 30th day following the later to occur of its receipt of the applicable New Borrowing Base Notice in accordance with Section 2.07(d) or the date the adjustment occurs; provided that all payments required to be made pursuant to this Section 3.04(c)(ii) must be made on or prior to the Termination Date.

(iii) Upon any adjustment to the Borrowing Base pursuant to Section 2.07(e) or Section 2.07(f), if the total Revolving Credit Exposures exceeds the Borrowing Base as adjusted, then the Borrower shall (A) prepay in cash the Borrowings in an aggregate principal amount equal to such excess, and (B) if any excess remains after prepaying all of the Borrowings as a result of an LC Exposure, pay in cash to the Administrative Agent on behalf of the Lenders an amount equal to such excess to be held as cash collateral as provided in Section 2.08(j); provided, the Borrower shall make such prepayment and/or deposit of cash collateral on the Business Day immediately following the date it or any Subsidiary receives cash proceeds as a result of such termination, liquidation or creation of offsetting positions, as applicable; provided further that all payments required to be made pursuant to this Section 3.04 (c)(iii) must be made on or prior to the Termination Date; and the Aggregate Maximum Credit Amount shall be reduced in accordance with Section 2.06(b).

(iv) If at the close of business on each Thursday (or if either Wednesday or Thursday of such week is not a Business Day, then the first Business Day immediately following such Thursday (or second Business Day immediately following such Thursday if both Wednesday and Thursday of such week are not Business Days)), or such other Business Day of each week as the Administrative Agent and Borrower may agree in writing, with notice to the Lenders (each, a "Consolidated Cash Sweep Date"), (i) there is Revolving Credit Exposure outstanding, and (ii) the Borrower or Guarantor shall have a Consolidated Cash Balance in excess of $40,000,000 (such excess, the "Excess Cash"), then, notwithstanding any other provision of this Agreement or any other Loan Document to the contrary, not later than the next Business Day the Borrower will prepay the Loans in an aggregate principal amount equal to the Excess Cash and to the extent such Excess Cash is in an amount greater than the total outstanding principal amount of the Loans, Borrower shall use such remaining cash to collateralize outstanding LC Exposure as provided in Section 2.08(j) until fully collateralized.

(v) Upon the occurrence of the earlier to occur of (A) the Termination Date, (B) an acceleration in accordance with Section 10.02, or (C) a Change in Control, the Borrower shall indefeasibly pay the Obligations in full and terminate the Aggregate Maximum Credit Amount.

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

(vii) Each prepayment of Borrowings pursuant to this Section 3.04(c) shall be accompanied by accrued interest to the extent required by Section 3.02.

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

Section 3.05 Fees.

(a) Commitment Fees. Except as otherwise provided in Section 4.03(c), the Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at the applicable Commitment Fee Rate on the average daily amount of the unused amount of the Commitment of such Lender during the period from and including the date of this Agreement to but excluding the Termination Date. Accrued commitment fees shall be payable in arrears on the last day of March, June, September and December of each year and on the Termination Date, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of 360 days, unless such computation would exceed the Highest Lawful Rate, in which case such commitment fees shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) Letter of Credit Fees. The Borrower agrees to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Margin used to determine the interest rate applicable to Eurodollar Loans on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender's Commitment terminates and the date on which such Lender ceases to have any LC Exposure, (ii) to the Issuing Bank a fronting fee, which shall accrue at the rate of 0.125% per annum on the average daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure, provided that in no event shall such fee be less than $500 during any quarter, and (iii) to the Issuing Bank, for its own account, its standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the third Business Day following such last day, commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the Termination Date and any such fees accruing after the Termination Date shall be payable on demand. At the election of the Administrative Agent and receipt by the Borrower of the notice thereof, during the continuation of an Event of Default and at any time that a Borrowing Base Deficiency exists, the fees payable pursuant to clause (i) of this Section 3.05(b) attributable to LC Exposure equal to the then Borrowing Base Deficiency minus the then outstanding principal amount of the Loans (expressed as a positive number) shall increase by 2.00% per annum over the then applicable rate but not to exceed the Highest Lawful Rate. Any other fees payable to the Issuing Bank pursuant to this Section 3.05(b) shall be payable within thirty (30) days after receipt of a written invoice therefor. All participation fees and fronting fees shall be computed on the basis of a year of 360 days, unless such computation would exceed the Highest Lawful Rate, in which case such fees shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c) Administrative Agent Fees. The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times set forth in the Fee Letter.

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

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

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

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

(c) Sharing of Payments by Lenders. If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in LC Disbursements resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and participations in LC Disbursements of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and participations in LC Disbursements; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this Section 4.01(c) shall not be construed to apply to

any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to the Borrower or any other Obligor or Affiliate thereof (as to which the provisions of this Section 4.01(c) shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

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

Section 4.03 Deductions by the Administrative Agent; Defaulting Lenders.

(a) Certain Deductions by the Administrative Agent. If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.05(b), Section 2.08(d), Section 2.08(e), Section 4.02, Section 5.03(e), Section 11.10 or Section 12.03(c), then the Administrative Agent may, in its sole discretion (notwithstanding any contrary provision hereof), (i) apply any amounts thereafter received by the Administrative Agent for the account of such Lender for the benefit of the Administrative Agent or the Issuing Bank to satisfy such Lender's obligations to it under such Sections until all such unsatisfied obligations are fully paid, and/or (ii) hold any such amounts in a segregated account as cash collateral for, and application to, any future funding obligations of such Lender under any such Section, in the case of each of clauses (i) and (ii) above, in any order as determined by the Administrative Agent in its sole discretion.

(b) Payments to Defaulting Lenders. If a Defaulting Lender (or a Lender who would be a Defaulting Lender but for the expiration of the relevant grace period) as a result of the exercise of a set-off shall have received a payment in respect of its Revolving Credit Exposure which results in its Revolving Credit Exposure being less than its Applicable Percentage of the aggregate Revolving Credit Exposures, then no payments will be made to such Defaulting Lender until such time as such Defaulting Lender shall have complied with Section 4.03(c) and all amounts due and owing to the Lenders have been equalized in accordance with each Lender's respective pro rata share of the Obligations. Further, if at any time prior to the acceleration or maturity of the Loans, the Administrative Agent shall receive any payment in respect of principal of a Loan or a reimbursement of an LC Disbursement while one or more Defaulting Lenders shall be party to this Agreement, the Administrative Agent shall apply such payment first to the Borrowing(s) for which such Defaulting Lender(s) shall have failed to fund its pro rata share until such time as such Borrowing(s) are paid in full or each Lender (including each Defaulting Lender) is owed its Applicable Percentage of all Loans then outstanding. After acceleration or maturity of the Loans, subject to the first sentence of this Section 4.03(b), all principal will be paid ratably as provided in Section 10.02(c).

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

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

(ii) The Commitment, the Maximum Credit Amount and the Revolving Credit Exposure of such Defaulting Lender shall not be included in determining whether the Majority Lenders or the Required Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 12.02); provided that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender shall require the consent of such Defaulting Lender; and provided, further, that any redetermination or affirmation of the Borrowing Base (including any determination as to whether the Borrowing Base shall be increased) shall occur without the participation of a Defaulting Lender, but the Commitment (i.e., the Applicable Percentage of the Borrowing Base of a Defaulting Lender) may not be increased without the consent of such Defaulting Lender.

(iii) If any LC Exposure exists at the time a Lender becomes a Defaulting Lender then:

(A) all or any part of the LC Exposure of such Defaulting Lender shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Percentages (for the purposes of such reallocation the Defaulting Lender's Commitment shall be disregarded in determining the Non-Defaulting Lender's Applicable Percentage) but only to the extent (1) the sum of all Non-Defaulting Lenders' Revolving Credit Exposures plus such Defaulting Lender's LC Exposure does not exceed the total of all Non-Defaulting Lenders' Commitments, and (2) the sum of each Non-Defaulting Lender's Revolving Credit Exposure plus its reallocated share of such Defaulting Lender's LC Exposure does not exceed such Non-Defaulting Lender's Commitment;

(B) if the reallocation described in clause (A) above cannot, or can only partially, be effected, then the Borrower shall within one Business Day following notice by the Administrative Agent cash collateralize for the benefit of the Issuing Bank only the Borrower's obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (A) above) in accordance with the procedures set forth in Section 2.08(j) for so long as such LC Exposure is outstanding and the relevant Defaulting Lender remains a Defaulting Lender;

(C) if the Borrower cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (B) above, then the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 3.05(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(D) if the LC Exposure of the Non-Defaulting Lenders is reallocated pursuant to clause (A) above, then the fees payable to the Lenders pursuant to Section 3.05(b) shall be adjusted and paid to the Non-Defaulting Lenders in accordance with such Non-Defaulting Lenders' pro rata share of the LC Exposure; and

(E) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to clause (A) or (B) above, then, without prejudice to any rights or remedies of the Issuing Bank or any Lender hereunder, all commitment fees that otherwise would have been payable to such Defaulting Lender (solely with respect to the portion of such Defaulting Lender's Commitment that was utilized by such LC Exposure) and letter of credit fees payable under Section 3.05(b) with respect to such Defaulting Lender's LC Exposure shall be payable to the Issuing Bank until such LC Exposure is reallocated and/or cash collateralized.

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

Subject to Section 12.20, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender's having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

In the event that the Administrative Agent, the Borrower and the Issuing Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender and such Lender is no longer a Defaulting Lender, then the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date, if necessary, such Lender shall purchase at par such of the Loans and/or participations in Letters of Credit of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans and/or participations in Letters of Credit in accordance with its Applicable Percentage.

Section 4.04 Disposition of Proceeds. The Security Instruments contain an assignment by the Borrower and/or the Guarantors unto and in favor of the Administrative Agent for the benefit of the Secured Parties of all of the Borrower's or each Guarantor's interest in and to production and all proceeds attributable thereto which may be produced from or allocated to the Mortgaged Property. The Security Instruments further provide in general for the application of such proceeds to the satisfaction of the Obligations and other obligations described therein and secured thereby. Notwithstanding the assignment contained in such Security Instruments, until the occurrence of an Event of Default, (a) the Administrative Agent and the Lenders agree that they will neither notify the purchaser or purchasers of such production nor take any other action to cause such proceeds to be remitted to the Administrative Agent or the Lenders, but the Lenders will instead permit such proceeds to be paid to the Borrower and its Subsidiaries and (b) the Lenders hereby authorize the Administrative Agent to take such actions as may be necessary to cause such proceeds to be paid to the Borrower and/or such Subsidiaries.

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

Section 5.01 Increased Costs.

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

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate) or the Issuing Bank; or

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

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

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

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

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

(d) Effect of Failure or Delay in Requesting Compensation. Failure or delay on the part of any Lender or the Issuing Bank to demand compensation pursuant to this Section 5.01 shall not constitute a waiver of such Lender's or the Issuing Bank's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or the Issuing Bank pursuant to this Section 5.01 for any increased costs or reductions incurred more than 270 days prior to the date that such Lender or the Issuing Bank, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Bank's intention to claim compensation therefor; provided, further, that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 5.02 Break Funding Payments. In the event of (a) the payment of any principal of any Eurodollar Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Eurodollar Loan into an ABR Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Eurodollar Loan on the date specified in any notice delivered pursuant hereto, or (d) the assignment of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 5.05, then, in any such event (other than any payment pursuant to Section 3.04(c)(iv)), the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a Eurodollar Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (x) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (y) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market.

A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 5.02 and reasonably detailed calculations therefor, upon request of the Borrower shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

Section 5.03 Taxes.

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

(b) Payment of Other Taxes by the Borrower. The Borrower and each Guarantor shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

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

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

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

(f) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if

reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 5.03(f)(ii)(A), Section 5.03(f)(ii)(B) and Section 5.03(f)(ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

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

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

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

(2) in the case of a Foreign Lender claiming that its extension of credit will generate U.S. effectively connected income, executed originals of IRS Form W-8ECI (or any successor form);

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit H-1 to the effect that (A) such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code and (B) the interest payments in question are not effectively connected with a U.S. trade or business conducted by such Foreign Lender or are effectively connected but are not includible in the Foreign Lender's gross income for U.S. federal income Tax purposes under an income Tax treaty (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN or W-8BEN-E (or any successor form); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY (or any successor form), accompanied by IRS Form W-8ECI (or any successor form), IRS Form W-8BEN or W-8BEN-E (or any successor form), a U.S. Tax Compliance Certificate substantially in the form of Exhibit H-2 or Exhibit H-3, copies of IRS Form W-9 (or any successor form), 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 H-4 on behalf of each such direct and indirect partner;

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

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

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

(g) Status of Administrative Agent. On or before the date that Wells Fargo Bank, National Association (and any successor or replacement Administrative Agent) becomes the Administrative Agent hereunder, it shall deliver to the Borrower a duly executed copy of either (i) IRS Form W-9 (or any successor form) or (ii) a U.S. branch withholding certificate on IRS Form W-8IMY (or any successor form) evidencing its agreement with the Borrower to be treated as a U.S. Person (with respect to amounts received on account of any Lender) and IRS Form W-8ECI (or any successor form) (with respect to amounts received on its own account).

(h) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 5.03 (including by the payment of additional amounts pursuant to this Section 5.03), it shall pay to the indemnifying party an amount equal to such

refund (but only to the extent of indemnity payments made under this Section 5.03 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) 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 Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

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

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

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

Section 5.05 Replacement of Lenders.

(a) If (i) any Lender requests compensation under Section 5.01, (ii) the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.03, (iii) it becomes unlawful for any Lender or its applicable lending office to make Eurodollar Loans, as described in Section 5.06, or (iv) any Lender becomes a Defaulting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 12.04(a)), all its interests, rights (other than its existing rights to payments pursuant to Section 5.01 or Section 5.03) and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (A) the Borrower shall have received the prior written consent of the Administrative Agent and the Issuing Bank, which consent shall not unreasonably be

withheld, (B) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), and (C) in the case of any such assignment resulting from a claim for compensation under Section 5.01 or payments required to be made pursuant to Section 5.03, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply. Notwithstanding the foregoing, a Lender shall not be required to make any such assignment and delegation if such Lender is a Secured Swap Party with any outstanding Secured Swap Agreement, unless on or prior thereto, all such Swap Agreements have been terminated or novated to another Person and such Lender (or its Affiliate) shall have received payment of all amounts, if any, payable to it in connection with such termination or novation.

(b) If any Lender (such Lender, a "Non-Consenting Lender") has failed to consent to a proposed amendment, waiver, discharge or termination that pursuant to the terms of Section 12.02 requires the consent of all of the Lenders affected or the Required Lenders and with respect to which the Majority Lenders shall have granted their consent, then the Borrower shall have the right (unless such Non-Consenting Lender grants such consent) to replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans and its Commitments hereunder to one or more assignees reasonably acceptable to the Administrative Agent and the Issuing Bank; provided that (i) all Obligations of the Borrower owing to such Non-Consenting Lender being replaced (other than principal and interest) shall be paid in full to such Non-Consenting Lender concurrently with such assignment, (ii) the replacement Lender shall purchase the foregoing by paying to such Non-Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon, (iii) such assignee must consent to vote for such amendment to which the Non-Consenting Lender did not vote, and (iv) the Borrower, the Administrative Agent and such Non-Consenting Lender shall otherwise comply with Section 12.04 (provided that the Borrower shall not be obligated to pay the registration and processing fee referred to therein as long as the replacement Lender pays such fee); provided further that, notwithstanding the foregoing, the Borrower may not replace a Non-Consenting Lender if such Non-Consenting Lender is the Administrative Agent, the Issuing Bank or an Affiliate thereof.

(c) Notwithstanding anything herein to the contrary each party hereto agrees that any assignment pursuant to the terms of this Section 5.05 may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Administrative Agent, the Issuing Bank and the assignee and that the Lender making such assignment need not be a party thereto.

(d) Any such Lender replacement pursuant to this Section 5.05 shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender.

Section 5.06 Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Lender or its applicable lending office to honor its obligation to make or maintain Eurodollar Loans either generally or having a particular Interest Period hereunder, then (a) such Lender shall promptly notify the Borrower and the Administrative Agent thereof and such Lender's obligation to make such Eurodollar Loans shall be suspended (the "Affected Loans") until such time as such Lender may again make and maintain such Eurodollar Loans and (b) all Affected Loans which would otherwise be made by such Lender shall be made instead as ABR Loans (and, if such Lender so requests by notice to the Borrower

and the Administrative Agent, all Affected Loans of such Lender then outstanding shall be automatically converted into ABR Loans on the date specified by such Lender in such notice) and, to the extent that Affected Loans are so made as (or converted into) ABR Loans, all payments of principal which would otherwise be applied to such Lender's Affected Loans shall be applied instead to its ABR Loans.

ARTICLE VI
CONDITIONS PRECEDENT

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

(a) The Bankruptcy Court shall have entered a final order reasonably satisfactory in all respects to the Administrative Agent, Lenders and Sponsors confirming the Plan of Reorganization in the form agreed by the Administrative Agent and the Required Lenders (the "Confirmation Order") and all conditions to the Plan Effective Date shall have been satisfied (or will be satisfied upon the occurrence of the Effective Date) or waived by the Administrative Agent. The Confirmation Order shall approve the Loan Documents and authorize the Obligors' execution and delivery thereof.

(b) The Plan Sale shall have occurred pursuant to a purchase agreement acceptable in all respects to the Administrative Agent and the Required Lenders in their respective sole discretion and the Borrower shall have received a minimum cash equity contribution of $335 million from the Plan Sale, and the Plan shall have closed without waiver or amendment of any term or condition not approved in writing by the Administrative Agent and the Required Lenders.

(c) This Agreement and the other Loan Documents shall have been duly executed and delivered by the Obligors party thereto (with original signatures and in such number of counterparts as may be required by the Administrative Agent), the Administrative Agent, the Issuing Bank, and the Lenders, each in form and substance reasonably satisfactory to the Borrower, Sponsors, Required Lenders and the Administrative Agent. The Administrative Agent shall have perfected first priority security interests (subject to Liens permitted under Section 9.03) in the real and personal property Collateral and shall have received the stock certificates and other possessory Collateral required to be delivered pursuant to the Security Instruments, including without limitation, the Equity Interests constituting Collateral accompanied by undated stock and note powers executed in blank. Without limitation of the foregoing, the Administrative Agent shall have received in recordable form counterparts of mortgages, deeds of trust, security agreements, assignments of production, fixture filings and financing statements (the "Mortgages") in form and substance satisfactory to the Administrative Agent, duly executed and delivered by the applicable Obligors in a sufficient number of counterparts for the due recording in each applicable recording office (including each office specified in any opinions described in Section 6.01(l)), granting to the Administrative Agent (or a trustee appointed by the Administrative Agent) for the benefit of the Secured Parties first and prior Liens on the Obligors' Oil and Gas Properties, and all of the Equipment and Facilities associated therewith, representing substantially all, but in no event less than ninety-five percent (95%), of each of the (i) total Proved Reserves, and (ii) total Proved Reserves classified as "proved developed producing" of the Obligors (subject only to Liens permitted under Section 9.03) together with evidence of the completion (or satisfactory arrangements for the completion within 30 days of the Effective Date,

which failure to achieve such date will be an immediate Event of Default, unless a later date is consented in writing by the Administrative Agent in its sole discretion) of all recordings and filings of such Mortgages as may be necessary or, in the reasonable opinion of the Administrative Agent, desirable to create a valid, perfected first priority Lien against the Properties purported to be covered thereby (subject only to Liens permitted under Section 9.03) (it being understood that title reports, title opinions and other title information shall be required for no less than eight-five percent (85%) of such Oil and Gas Properties described in clauses (i) and (ii) immediately above in accordance with Section 8.13); and all other Security Instruments, documents, instruments or agreements and or acknowledgements of the filings, or recordation necessary to perfect its Liens in the Collateral. In connection with the execution and delivery of the Security Instruments, the Administrative Agent shall have received evidence and be satisfied that the flood insurance required for each Property set forth in Annex II to the extent required hereunder is in effect.

(d) The Administrative Agent shall have received UCC-1 Financing Statements for the Borrower and Guarantors to be filed in each such person's state of incorporation or formation and received all possessory pledged collateral, including without limitation, pledged equity certificates and intercompany notes; and the Administrative Agent and its counsel shall be satisfied that such liens are first priority perfected Liens (subject only to Liens permitted under Section 9.03).

(e) The Administrative Agent shall have received, as applicable, a copy or a certificate from the Secretary or an Assistant Secretary of the Borrower and each Guarantor, each setting forth (i) resolutions of the members, board of directors, board of managers or other appropriate governing body with respect to the authorization of the Borrower or such Guarantor to execute and deliver the Loan Documents to which it is a party and to enter into the transactions contemplated in those documents, (ii) the names and titles of officers of the Borrower or such Guarantor (A) who are authorized to sign the Loan Documents to which the Borrower or such Guarantor is a party and (B) who will, until replaced by another officer or officers duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection with this Agreement and the transactions contemplated hereby, (iii) specimen signatures of such authorized officers, (iv) the articles or certificate of incorporation or formation, as applicable, of such Obligor (in each case, together with all amendments thereto, if any) certified by the Secretary of State or other comparable body of the jurisdiction of organization or formation as being true and complete copies, and (v) the bylaws, limited liability company agreement, the operating agreement, the partnership agreement, or other applicable Organizational Documents, as applicable, of such Obligor (in each case, together with all amendments thereto, if any), certified by the Secretary or an Assistant Secretary as being true and complete copies. The Administrative Agent and the Lenders may conclusively rely on such certificate until the Administrative Agent receives notice in writing from the Borrower or other applicable Guarantor to the contrary.

(f) The Administrative Agent shall have received long form certificates of the appropriate state agencies with respect to the existence, qualification and good standing of the Borrower and each Guarantor.

(g) All of the representations and warranties in the Loan Documents shall be true and correct in all material respects (except to the extent any such representations and warranties are qualified by materiality, in which case, they shall be true and correct in all respects) and no Default or Event of Default shall have occurred or be continuing either before or as a result of the execution and delivery of the Loan Documents or the Effective Date or the transactions contemplated by the Plan of Reorganization, including the deemed Loans pursuant to

Section 2.02(b), on and as of, and immediately following, the Effective Date, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the Effective Date, such representations and warranties shall continue to be true and correct in all material respects (unless already qualified by materiality, in which case such applicable representation and warranty shall be true and correct in all respects) as of such specified earlier date;

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

(i) The Administrative Agent shall have received a compliance certificate which shall be substantially in the form of Exhibit D, duly and properly executed by a senior Financial Officer and dated as of the Effective Date.

(j) The Administrative Agent shall have received duly executed Notes payable to each Lender requesting a Note in a principal amount equal to its Maximum Credit Amount dated as of the date hereof.

(k) The Administrative Agent shall have received a Solvency Certificate from the senior Financial Officer of the Borrower certifying that (i) the Borrower is Solvent and (ii) the Obligors taken as a whole are Solvent.

(l) The Administrative Agent shall have received opinions of Norton Rose Fulbright US LLP, special counsel to the Borrower, and local counsel in each jurisdiction where a Mortgage is to be filed, in each case, in form and substance satisfactory to the Administrative Agent and its counsel.

(m) The Administrative Agent shall have received an ACORD Evidence of Insurance certificate naming the Administrative Agent and the Lenders as additional insureds in respect of any liability insurance policies of the Obligors and the Administrative Agent as loss payee with respect to property loss insurance of the Obligors and evidencing that the Obligors are carrying insurance in accordance with Section 7.12.

(n) The Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower certifying that the Borrower has received all consents and approvals required by Section 7.03.

(o) The Administrative Agent and Lenders shall have received (i) the Bankruptcy Exit Financial Statements, (ii) the pro forma Effective Date balance sheet of the Borrower and Guarantors, which shall reflect no Debt, contingent liabilities or preferred stock other than (x) Debt incurred pursuant to this Agreement and the other Loan Documents and (y) such other Debt and contingent liabilities that are permitted under this Agreement, subject to adjustments regarding the application of fresh-start reporting and audit adjustments, (iii) a detailed quarterly business plan and budget, in form and substance satisfactory to the Administrative Agent, for the three fiscal years following the Effective Date of the Obligors on a consolidated basis, including forecasts prepared by management of the Borrower, and (iv) a certificate of the senior Financial Officer of the Borrower certifying that Bankruptcy Exit Financial Statements and the pro forma Effective Date balance sheet are in accordance with GAAP and true and correct in all material respects and the forecasts prepared by management are based on assumptions believed to be reasonable as of the Effective Date.

(p) The Administrative Agent shall have received appropriate UCC search certificates for each of the jurisdictions in which the Obligors are organized, maintain a principal office, own or maintain Property and any other jurisdiction requested by the Administrative Agent, in each case, reflecting no prior Liens encumbering the Properties of the Obligors other than liens to be discharged pursuant to the Plan of Reorganization on or prior to the Effective Date or Liens permitted by Section 9.03.

(q) 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 opinion of the Administrative Agent, 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 Effect.

(r) The Administrative Agent and Lenders shall have reviewed and be satisfied with the corporate and capital structure, assets, liabilities, business operations and conditions (financial and otherwise) of the Obligors and Sponsors; and shall have performed and be satisfied with such other due diligence including a review of the Obligors' mineral interests and all legal, financial, accounting, governmental, environmental, tax, securities and regulatory matters and financial aspects of the proposed financing, in each case, regarding the Obligors and their respective Properties, as the Administrative Agent may require.

(s) No event or circumstance shall have occurred or be continuing since the date of the Bankruptcy Exit Financial Statements that has, or could be reasonably expected to cause, either individually or in the aggregate, a Material Adverse Effect.

(t) The Administrative Agent for the benefit of each Lender shall have received cash payments in the amount of the Plan Lender Paydown and as part of such Plan Lender Paydown, the Restricted Cash Account (as defined in the Prepetition Credit Agreement) shall have been terminated, and the cash proceeds of the balance of such account shall be paid to the Administrative Agent for the benefit of, and pro rata distribution to, the Lenders.

(u) The Administrative Agent shall have received all agency fees and the Administrative Agent and Lenders shall have received all other fees, expenses and amounts due and payable on or prior to the Effective Date, including, to the extent invoiced, reimbursement or payment of all reasonable and documented out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder (including, without limitation, the reasonable fees and expenses of Baker & McKenzie LLP, counsel to the Administrative Agent which shall include an estimate and prepayment of pre-Effective Date and post Effective Date fees not otherwise invoiced in an amount as set forth in the Fee Letter).

(v) The Administrative Agent and the Lenders shall have received, and be reasonably satisfied in form and substance with, all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including but not restricted to the USA PATRIOT Act.

(w) The Administrative Agent shall have received (i) a Borrowing Request for the Loans deemed to be borrowed pursuant to Section 2.02(b) and (ii) a Letter of Credit Request to issue the Existing Letters of Credit pursuant to Section 2.08(a) and after giving effect to both requests the aggregate Revolving Credit Exposure shall not exceed $450,000,000 in accordance with the requirements hereof and the Plan of Reorganization.

(x) On the Effective Date, (i) the lesser of (A) the Aggregate Maximum Credit Amounts and (B) the Borrowing Base in effect on the Effective Date, minus the Revolving Credit Exposure shall be equal to or greater than $100.0 million, after giving effect to the Loans deemed to be borrowed pursuant to Section 2.02(b) in accordance with the requirements hereof and the Plan of Reorganization.

(y) The Administrative Agent shall have received the Initial Reserve Report.

(z) The Borrower shall have delivered to the Administrative Agent copies certified by a Responsible Officer of the Borrower as being true and complete copies of each of:

(i) the Plan Sale material documents;

(ii) the acquisition agreement whereby Parent Guarantor acquires the Equity Interests of Borrower;

(iii) the Linn-Berry Settlement Agreement;

(iv) the Linn-Berry Transition Services and Separation Agreement;

(v) the Linn-Berry Joint Operating Agreements; and

(vi) the Berry Funds Flow Memorandum.

(aa) The Administrative Agent shall have received such other documents as the Administrative Agent or counsel to the Administrative Agent may reasonably request.

Section 6.02 Each Credit Event. Each request for a Borrowing and each request for the issuance, amendment, renewal or extension of any Letter of Credit shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in this Section 6.02. The obligation of each Lender to make a Loan on the occasion of any Borrowing (including the initial funding), and of the Issuing Bank to issue, amend, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

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

(b) At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, no Material Adverse Effect shall have occurred.

(c) Each of (i) Borrower on a stand-alone basis, and (ii) the Obligors taken as a whole, shall be Solvent and have no reason to believe that (A) it or they cannot timely repay its or their debt or other obligations in the ordinary course of business as they become due or (B) it has or they have unreasonably small capital to operate.

(d) After giving pro forma effect to such Borrowing, the projected Consolidated Cash Balance as of the immediately following Consolidated Cash Measurement Date shall not exceed $40,000,000 as certified by the senior Financial Officer of the Borrower.

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

(f) The receipt by the Administrative Agent of a Borrowing Request in accordance with Section 2.03 or a request for a Letter of Credit in accordance with Section 2.08(b), as applicable, which Borrowing Request shall include a certification by the senior Financial Officer as to the satisfaction of the matters set forth in Section 6.02(a) through Section 6.02(e).

Section 6.03 Additional Conditions to Credit Events. In addition to the conditions precedent set forth in Section 6.02, so long as any Lender is a Defaulting Lender, the Issuing Bank shall not be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the LC Exposure will be 100% covered by the Commitments of the Non-Defaulting Lenders and/or the Borrower will cash collateralize the LC Exposure in accordance with Section 4.03(c)(iii), and participating interests in any such newly issued or increased Letter of Credit shall be allocated among Non-Defaulting Lenders in accordance with Section 4.03(c)(iii)(A) (and Defaulting Lenders shall not participate therein).

Section 6.04 Post-Closing Obligations. Within the time periods specified on Schedule 6.04 (as each may be extended in writing by the Administrative Agent in its sole discretion, in each case, for a period not to exceed 30 days in the aggregate), each Obligor shall, and shall cause each Subsidiary to, provide the documentation, and complete the undertakings, as are set forth on Schedule 6.04. All conditions precedent, covenants and representations and warranties contained in this Agreement and the other Loan Documents shall be deemed modified to the extent necessary to effect the foregoing (and to permit the taking of the actions described above and on Schedule 6.04 within the time periods required by this Section 6.04, rather than as elsewhere provided in the Loan Documents); provided that (x) to the extent any representation and warranty would not be true, or any provision of any covenant breached, because the foregoing actions were not taken on the Effective Date, the respective representation and warranty shall be required to be true and correct in all material respects, and the covenant complied with, at the time the respective action is taken (or was required to be taken) in accordance with the foregoing provisions of this Section 6.04 and (y) all representations and warranties and covenants relating to the Loan Documents shall be required to be true or, in the case of any covenant, complied with, immediately after the actions required to be taken by this Section 6.04 have been taken (or were required to be taken).

ARTICLE VII
REPRESENTATIONS AND WARRANTIES

Each of the Obligors jointly and severally represents and warrants to the Administrative Agent and each Lender that:

Section 7.01 Organization; Powers. Each of the Obligors is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority, and has all material governmental licenses, authorizations, consents and approvals necessary, to own its assets and to carry on its business as now conducted, and is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required, except where failure to have such power, authority, licenses, authorizations, consents, approvals and qualifications could not reasonably be expected to have a Material Adverse Effect.

Section 7.02 Authority; Enforceability. The Transactions are within each Obligor's corporate or equivalent powers and have been duly authorized by all necessary corporate or equivalent action (including, without limitation, any action required to be taken by any other Person, whether interested or disinterested, in order to ensure the due authorization of the Transactions). Each Loan Document to which any Obligor is a party has been duly executed and delivered by such Obligor and constitutes a legal, valid and binding obligation of such Obligor, as applicable, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 7.03 Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other third Person (including holders of its Equity Interests or any class of directors, managers or supervisors, as applicable, whether interested or disinterested, of the Borrower or any other Person), nor is any such consent, approval, registration, filing or other action necessary for the validity or enforceability of any Loan Document or the consummation of the Transactions, except such as have been obtained or made and are in full force and effect other than the recording and filing of the Security Instruments (b) will not violate any applicable law or regulation or the limited liability company agreement, charter, bylaws or other Organizational Documents of any Obligor or any order of any Governmental Authority, and (c) will not violate or result in a default under any indenture, agreement or other instrument binding upon any Obligor or any of their respective Properties, or give rise to a right thereunder to require any payment to be made by any Obligor and will not result in the creation or imposition of any Lien on any Property of any Obligor (other than the Liens created by or permitted under the Loan Documents) except in each case referred to in clauses (a), (b) (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 7.04 Financial Condition; No Material Adverse Change.

(a) The Borrower has, prior to the Effective Date, furnished to the Administrative Agent and the Lenders (i) the Bankruptcy Exit Financial Statements and (ii) a *pro forma* unaudited consolidated balance sheet of Parent Guarantor and the Consolidated Subsidiaries as of the Effective Date, after giving effect to the making of the initial extensions of credit hereunder, the application of the proceeds thereof and to the Transactions contemplated to occur on the Effective Date, certified by Borrower's Financial Officer. The financial statements described above present fairly, in all material respects, the financial position of Parent Guarantor and the Consolidated Subsidiaries as of the Effective Date.

(b) Since the date of the Bankruptcy Exit Financial Statements, there has been no event, development or circumstance that has had or could reasonably be expected to have a Material Adverse Effect.

(c) Neither the Borrower nor any Guarantor has on the date hereof any material Debt (including Disqualified Capital Stock) or any material contingent liabilities, off-balance sheet liabilities or partnerships, liabilities for taxes, unusual forward or long-term commitments or known unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in the Financial Statements, including the footnotes thereto, or as disclosed in this Agreement (including the Schedules hereto).

Section 7.05 Litigation.

(a) Except as set forth on Schedule 7.05, there are no actions, suits, investigations or proceedings by or before any arbitrator or Governmental Authority pending against or threatened against or affecting any Obligor (i) not fully covered by insurance (except for normal deductibles) as to which there is a reasonable possibility of an adverse determination that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (ii) that involve any Loan Document or the Transactions.

(b) Since the date of this Agreement, there has been no change in the status of the matters disclosed in Schedule 7.05 that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect.

Section 7.06 Environmental Matters.

Except for such matters as set forth on Schedule 7.06 or that, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

(a) the Obligors and each of their respective Properties and operations thereon are, and within all applicable statute of limitation periods have been, in compliance with all applicable Environmental Laws;

(b) the Obligors have obtained all Environmental Permits required for their respective operations and each of their Properties, with all such Environmental Permits being currently in full force and effect, and none of the Borrower or the Guarantors has received any written notice or otherwise has knowledge that any such existing Environmental Permit will be revoked or that any application for any new Environmental Permit or renewal of any existing Environmental Permit will be protested or denied;

(c) there are no claims, demands, suits, orders, inquiries, or proceedings concerning any violation of, or any liability (including as a potentially responsible party) under, any applicable Environmental Laws that is pending or, to the Borrower's knowledge, threatened against any Obligor or any of their respective owned, or to the Borrower's knowledge, leased Properties or as a result of any of their operations at such Properties;

(d) [Reserved];

(e) there has been no Release or, to the Borrower's knowledge, threatened Release, of Hazardous Materials at, on, under or from the Borrower's or any Guarantor's Properties, and to the knowledge of the Borrower, there are no investigations, remediations, abatements, removals, or monitorings of Hazardous Materials required under applicable Environmental Laws at such Properties and, to the knowledge of the Borrower, none of such Properties are adversely affected by any Release or threatened Release of a Hazardous Material originating or emanating from any other real property;

(f) neither the Borrower nor any Guarantor has received any written notice asserting an alleged liability or obligation under any applicable Environmental Laws with respect to the investigation, remediation, abatement, removal, or monitoring of any Hazardous Materials at, under, or Released or threatened to be Released from any real properties offsite the Borrower's or any other Obligor's Properties;

(g) neither the Borrower nor any Guarantor has received any written notice asserting an exposure of any Person or Property to any Hazardous Materials as a result of the operations and businesses of any of the Borrower's or the Guarantors' Properties that could reasonably be expected to form the basis for a claim for damages or compensation; and

(h) to the extent existing on or prior to the Effective Date, the Borrower has made available to the Lenders copies of all environmental site assessment reports, investigations, studies, analyses, and correspondence on environmental matters (including matters relating to any alleged non-compliance with or liability under Environmental Laws) which, to the Borrower's knowledge, are complete and correct and that are in the Borrower's possession or control and relating to the Borrower's or any Guarantor's Properties or operations thereon.

This Section 7.06 contains the sole and exclusive representations and warranties of the Obligors with respect to any environmental, health or safety matters, including any arising under any Environmental Laws or relating to Hazardous Materials.

Section 7.07 Compliance with Laws and Agreements; No Defaults.

(a) Each of the Borrower and each Guarantor is in compliance with all Governmental Requirements applicable to it or its Property and all agreements and other instruments binding upon it or its Property, and possesses all licenses, permits, franchises, exemptions, approvals and other governmental authorizations necessary for the ownership of its Property and the conduct of its business, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(b) [Reserved].

(c) No Default has occurred and is continuing.

Section 7.08 Investment Company Act. Neither the Borrower nor any Guarantor is an "investment company" or a company "controlled" by an "investment company," within the meaning of, or subject to regulation under, the Investment Company Act of 1940, as amended.

Section 7.09 Taxes. Each of the Obligors has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which the Parent Guarantor or such Obligor, as applicable, has set aside on its books adequate reserves in accordance with GAAP or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect or result in the seizure or levy of any Property of any Obligor. The charges, accruals and reserves on the books of the Obligors in respect of Taxes and other governmental charges are in accordance with GAAP and, in the reasonable opinion of the Borrower, adequate. No Tax Lien has been filed and no written claim is being asserted with respect to any material unpaid Tax.

Section 7.10 ERISA.

(a) Except as would not reasonably be expected to result in a Material Adverse Effect, each Plan is in compliance with ERISA and, where applicable, the Code.

(b) Except as could not reasonably be expected to result in a Material Adverse Effect, there has been no non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code which could reasonably be expected to result in liability to any Borrower, any other Obligor or any ERISA Affiliate has occurred.

(c) Except as would not reasonably be expected to result in a Material Adverse Effect, (i) each Plan has satisfied the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to each Plan and (ii) no ERISA Event has occurred.

Section 7.11 Disclosure; No Material Misstatements. None of the written reports, financial statements, certificates or other written information furnished by or on behalf of any Obligor (other than projected financial information, forward looking statements, estimates and information of a general economic or industry nature) to the Administrative Agent or any Lender or Secured Party in connection with the negotiation of this Agreement or any other Loan Document or delivered hereunder or under any other Loan Document (as modified or supplemented by other information so furnished), when taken as a whole, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, forward looking information and estimates, the Obligors represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time of preparation and when delivered to the Administrative Agent or any Lender or Secured Party (it being understood that such projected financial information may vary from actual results and that such variances may be material). The Initial Reserve Report and each subsequent Reserve Report do not contain material statements or conclusions that, taken as a whole, are materially misleading in light of the circumstances under which they were made, it being understood that projections concerning volumes attributable to the Oil and Gas Properties of the Obligors and production and cost estimates contained in each Reserve Report are based upon professional opinions, estimates and projections and that the Obligors do not warrant that such opinions, estimates and projections will ultimately prove to have been accurate.

Section 7.12 Insurance. Each of the Obligors has (a) all insurance policies sufficient for the compliance by each of them with all material applicable Governmental Requirements and all material agreements to which it is party and (b) insurance coverage in at least amounts and against such risk (including, without limitation, public liability) that are customarily insured against by companies similarly situated and engaged in the same or a similar business for the assets and operations of the Obligors. Such insurance policies contain an endorsement naming the Administrative Agent as additional insured in respect of such liability insurance policies and naming the Administrative Agent as loss payee with respect to Property loss insurance.

Section 7.13 Restriction on Liens. None of the Obligors is a party to any agreement or arrangement (other than any documentation with respect to Debt permitted under Section 9.02 or Lien permitted under Section 9.03), or subject to any order, judgment, writ or decree, which either restricts or purports to restrict its ability to grant Liens to the Administrative Agent and the Lenders on or in respect of their Properties to secure the Obligations and the Loan Documents, or restricts any Obligor from paying dividends or making any other distributions in respect of its Equity Interests to any Obligor, or restricts any Obligor from making loans or advances or transferring any Property to the Borrower or any other Obligor, or which requires the consent of or notice to other Persons in connection therewith, except, in each case, for such encumbrances or restrictions permitted under Section 9.16.

Section 7.14 Subsidiaries. Each Obligor has the Subsidiaries listed on Schedule 7.14 or as disclosed in writing with certification of compliance with Section 8.14 to the Administrative Agent (which shall promptly furnish a copy to the Lenders), as a supplement to Schedule 7.14. Neither Parent Guarantor nor the Borrower has any Foreign Subsidiaries. Each direct or indirect Subsidiary of each of Parent Guarantor and the Borrower is a Wholly-Owned Subsidiary and a Subsidiary Guarantor.

Section 7.15 Location of Business and Offices. The Borrower's jurisdiction of organization is Delaware (or such other state as set forth in a notice delivered to the Administrative Agent at least ten (10) Business Days prior to the date (or such shorter time period as the Administrative Agent may permit in its sole discretion) on which the Borrower's jurisdiction of organization is proposed to change); and the name of the Borrower as listed in the public records of its jurisdiction of organization is Berry Petroleum Company, LLC; (or, in each case, as set forth in a notice delivered to the Administrative Agent pursuant to Section 8.01(m) in accordance with Section 12.01). The Borrower's principal place of business and chief executive offices are located at the address specified in Section 12.01 (or as set forth in a notice delivered pursuant to Section 8.01(m) and Section 12.01(c)). Parent Guarantor and each of the Parent Guarantor's and Borrower's respective Subsidiaries' jurisdiction of organization, name as listed in the public records of its jurisdiction of organization, and the location of its principal place of business and chief executive office is stated on Schedule 7.14 (or as set forth in a notice delivered pursuant to Section 8.01(m)).

Section 7.16 Properties; Titles, Etc. Each of the Obligors has good and defensible title to, or valid leasehold interests in, their respective Oil and Gas Properties evaluated in the most recently delivered Reserve Report and good title to all its material personal Properties, in each case, free and clear of all Liens except Liens permitted by Section 9.03 and except for any Oil and Gas Properties that were sold or otherwise disposed of prior to the Effective Date or after the Effective Date in accordance with this Agreement. After giving full effect to the Excepted Liens and the sales and dispositions referenced in the immediately preceding sentence and other than changes which arise pursuant to non-consent provisions of operating agreements or other agreements (if any) described in Exhibit A to any Security Instrument, the Borrower or the Guarantor specified as the owner owns the net interests in production attributable to the Hydrocarbon Interests as reflected in the most recently delivered Reserve Report, other than reductions in such interests resulting from any disposition permitted under Section 9.12 so long as such disposition occurs after the delivery of such Reserve Report, and the ownership of such Properties shall not in any material respect obligate the Borrower or such Guarantor to bear the costs and expenses relating to the maintenance, development and operations of each such Property in an amount in excess of the working interest of each Property set forth in the most recently delivered Reserve Report that is not offset by a corresponding proportionate increase in the Borrower's or such Guarantor's net revenue interest in such Property.

(a) (i) All material leases and agreements necessary for the conduct of the business of the Obligors are valid and subsisting, in full force and effect, and (ii) there exists no default or event or circumstance which with the giving of notice or the passage of time or both would give rise to a default under any such lease or leases unless (i) disputed in good faith by appropriate proceedings and for which adequate reserves have been maintained in accordance with GAAP or (ii) the failure of the foregoing could not reasonably be expected to have a Material Adverse Effect.

(b) The rights and Properties presently owned, leased or licensed by the Obligors including, without limitation, all easements and rights of way, include all rights and Properties necessary to permit the Obligors to conduct their business in all respects in the same manner as its business has been conducted prior to the date hereof, except where the failure of the foregoing could not reasonably be expected to result in a Material Adverse Effect.

(c) All of the Properties of the Obligors which are reasonably necessary for the operation of their businesses are in good working condition and are maintained in accordance with prudent business standards and in compliance with Section 8.06, except where the failure of the foregoing could not reasonably be expected to result in a Material Adverse Effect.

(d) The Borrower and each Guarantors owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual Property material to its business, and the use thereof by such Obligor does not infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Obligors either own or have valid licenses or other rights to use all databases, geological data, geophysical data, engineering data, seismic data, maps, interpretations and other technical information used in their businesses as presently conducted, except as could not reasonably be expected to have a Material Adverse Effect.

Section 7.17 Maintenance of Properties. Except for (a) such acts or failures to act as could not be reasonably expected to have a Material Adverse Effect, (b) Oil and Gas Properties disposed of in accordance with this Agreement and (c) oil and gas leases that have expired in accordance with their terms, the Oil and Gas Properties (and Properties unitized therewith) of the Obligors have been maintained, operated and developed in a good and workmanlike manner and in conformity with all Governmental Requirements and in conformity with the provisions of all leases, subleases or other contracts comprising a part of the Hydrocarbon Interests and other contracts and agreements forming a part of the Oil and Gas Properties of the Obligors. All pipelines, wells, gas processing plants, platforms and other material improvements, fixtures and equipment owned in whole or in part by any Obligor that are necessary to conduct normal operations are being maintained in a state adequate to conduct normal operations, and with respect to such of the foregoing which are operated by any Obligor in a manner consistent with the Borrower's or any Guarantor's past practices (other than those the failure of which to maintain in accordance with this Section 7.17 could not reasonably be expected to have a Material Adverse Effect).

Section 7.18 Gas Imbalances, Prepayments. Except as set forth on Schedule 7.18 or on the most recent certificate delivered pursuant to Section 8.12(c), on a net basis there are no gas imbalances, take or pay or other prepayments which would require any Obligor to deliver Hydrocarbons produced from their Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor exceeding two percent (2%) of the reasonably anticipated aggregate volumes of Hydrocarbons (on an Mcf equivalent basis) anticipated to be produced from the Borrower's and the Guarantors' Proved Reserves classified as "proved developed producing" listed in the most recent Reserve Report.

Section 7.19 Marketing of Production. Except for contracts listed and in effect on the date hereof on Schedule 7.19, and thereafter either disclosed in writing to the Administrative Agent or included in the most recently delivered Reserve Report (with respect to all of which contracts the Borrower represents that it or the Guarantors are receiving a price for all production sold thereunder which is computed substantially in accordance with the terms of the relevant contract and are not having deliveries curtailed substantially below the subject Property's delivery capacity, no material agreements exist which are not cancelable on ninety (90) days' notice or less without penalty or detriment for the sale of production from the Borrower's or the Guarantors' Hydrocarbons (including, without limitation, calls on or other rights to purchase, production, whether or not the same are currently being exercised) that (a) pertain to the sale of production at a fixed price and (b) have a maturity or expiry date of longer than six (6) months.

Section 7.20 Swap Agreements. Schedule 7.20, as of the date hereof, and after the date hereof, each report required to be delivered by the Borrower pursuant to Section 8.01(f), as of the date of such report, sets forth, a true and complete list of all Swap Agreements of the Borrower and each Guarantor, the material terms thereof (including the type, term, effective date, termination date and notional amounts or volumes), the net mark to market value thereof, all credit support agreements relating thereto (including any margin required or supplied) and the counterparty to each such agreement.

Section 7.21 Use of Loans and Letters of Credit. The proceeds of the Loans and the Letters of Credit shall be used (a) to provide working capital for lease and other oil and gas property acquisitions, for exploration and production operations and for development (including the drilling and completion of producing wells), (b) for other working capital and general corporate purposes, (c) to refinance certain Debt in accordance with the Plan of Reorganization and to fund the Borrower's and its Subsidiaries' obligations under the Plan of Reorganization, and (d) to pay fees and expenses related to the foregoing clauses (a), (b) and (c) and to the transactions contemplated by this Agreement and the other Loan Documents. The Obligors are not engaged principally, or as one of its or their important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation T, U or X of the Board). No part of the proceeds of any Loan or Letter of Credit will be used for any purpose which violates the provisions of Regulations T, U or X of the Board.

Section 7.22 Deposit and Securities Accounts. Set forth on Schedule 7.22 (as may be amended from time to time pursuant to Section 8.01(a) and Section 8.18) is a true and complete list of all deposit accounts and securities accounts maintained by the Parent Guarantor, the Borrower or any of their respective Subsidiaries, including all Controlled Proceeds Accounts and all Excluded Accounts.

Section 7.23 Solvency. Immediately after giving effect to the Transactions and immediately prior to and after giving effect to each Borrowing and each issuance, amendment, renewal, or extension of a Letter of Credit, (i) the Borrower, on a stand-alone basis, is Solvent, and (ii) the Obligors and their Subsidiaries, taken as a whole, are Solvent.

Section 7.24 International Operations. None of the Obligors own, and have not acquired or made any other expenditure (whether such expenditure is capital, operating or otherwise) in or related to, any Oil and Gas Properties located outside of the geographical boundaries of the United States or in the offshore federal waters of the United States. None of the Borrower or Guarantors has knowledge of ownership, acquisition or expenditures with respect to any Oil and Gas Properties by any Obligor located outside of the United States or outside of the offshore federal waters of the United States.

Section 7.25 USA PATRIOT; AML Laws; Anti-Corruption Laws and Sanctions. Each of Parent Guarantor and the Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance by the Obligors and their respective directors, officers, employees and agents with the USA PATRIOT Act, Anti-Corruption Laws, applicable AML Laws and applicable Sanctions. Neither any of the Obligors nor any of their respective Subsidiaries, nor any director, officer, agent, employee, Affiliate, or advisor of the Obligors or their respective Subsidiaries is (i) a Sanctioned Person or (ii) in violation of any AML Laws or Sanctions. The Borrower will not directly or indirectly use the proceeds from the Loans or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, in a manner that will cause a violation of AML Laws, Anti-Corruption Laws or applicable Sanctions by any Person participating in the transactions contemplated by this Agreement, whether as lender, issuing bank, borrower, guarantor, agent, or otherwise. The Borrower represents that neither it nor any of the other Obligors nor any of their respective Subsidiaries or Affiliates has engaged in or intends to engage in any dealings or transactions with, or for the benefit of, any Sanctioned Person or with or in any Sanctioned Country. No Borrowing or Letter of Credit relates, directly or indirectly, to any activities or business of or with a Sanctioned Person or with or in a Sanctioned Country; and, the Obligors and their respective Subsidiaries and each of their Affiliates have conducted their business in material compliance with all applicable Anti-Corruption Laws and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith. Neither the Obligors nor their respective Subsidiaries, nor any director, officer, agent, employee, Affiliate or advisor of the Obligors or their respective Subsidiaries is in violation of or is aware of or has taken any action, directly or indirectly, that would result in a violation by such Persons of any applicable Anti-Corruption Laws, including without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any “foreign official” (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA.

Section 7.26 Ratification of Prepetition Mortgages. Borrower has legally and validly incurred the Debt and other Obligations pursuant to this Agreement and the other Loan Documents and each of the other Obligors has determined that it will benefit from the incurrence of such Debt and other Obligations and has therefore legally and validly guaranteed such Debt and Obligations on a joint and several basis, and hereby agrees and acknowledges that each of the Prepetition Mortgages is hereby duly assumed, ratified and affirmed as a continuing obligation of each Obligor party thereto pursuant to the Plan of Reorganization and pursuant to such Plan of Reorganization is deemed amended to secure the Debt and Obligations hereunder and authorizes the Administrative Agent to file a copy of the order of the Bankruptcy Court, or an abstract thereof authorized by the Bankruptcy Court in each applicable jurisdiction of the Prepetition Mortgages as proof thereof. Each of the Prepetition Mortgages, the property description and jurisdiction and filing office are accurately set forth on Annex III as of the Effective Date.

ARTICLE VIII
AFFIRMATIVE COVENANTS

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder and all other Obligations payable under the Loan Documents shall have been paid in full and all Letters of Credit shall have expired or terminated and all LC Disbursements shall have been reimbursed, each of Parent Guarantor and the Borrower covenants and agrees with the Lenders that:

Section 8.01 Financial Statements; Ratings Change; Other Information. Parent Guarantor and the Borrower shall furnish to the Administrative Agent and each Lender:

(a) Annual Financial Statements.

(i) As soon as available, but in any event not later than one hundred twenty (120) days following the Effective Date, the fresh start accounting balance sheet of the Obligors as of the Effective Date; and (ii) ninety (90) days after the end of each fiscal year of Parent Guarantor and its Consolidated Subsidiaries (beginning with fiscal year ending December 31, 2017), its audited consolidated and unaudited consolidating balance sheet and related statements of income, retained earnings, operations, members' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by an independent public accounting firm of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit except to the extent solely attributable to the maturity of the Obligations hereunder) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of Parent Guarantor and its Consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied; provided, however, it is agreed and understood that in the case of the fiscal year ended December 31, 2016, the financial statements and the report described herein shall be in respect of Berry Petroleum Company and its Consolidated Subsidiaries as of such date.

(ii) As soon as available, but in any event not later than sixty (60) days after the end of each fiscal year of Parent Guarantor and its Consolidated Subsidiaries (beginning with the fiscal year ending December 31, 2017) , its internally prepared consolidated and consolidating balance sheet and related statements of income, retained earnings, operations, members' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year.

(b) Quarterly Financial Statements. As soon as available, but in any event not later than forty-five (45) days after the end of each of the first three fiscal quarters of each fiscal year of Parent Guarantor and its Consolidated Subsidiaries (or in the case of (i) the fiscal quarter ending March 31, 2017, one hundred (100) days, (ii) the fiscal quarter ending June 30, 2017, ninety (90) days and (iii) the fiscal quarter ending September 30, 2017, sixty (60) days, in each case or such later date as the Administrative Agent may agree in its sole discretion), its internally prepared consolidated and consolidating income statements, balance sheets and statements of cash flow, and statements of operations, retained earnings, and members' equity as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting

forth in each case (beginning with the fourth full fiscal quarter ending after the Effective Date) in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of Parent Guarantor and its Consolidated Subsidiaries on a consolidated and consolidating basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes.

(c) [Reserved].

(d) Certificate of Financial Officer — Compliance. Concurrently with any delivery of financial statements under Section 8.01(a) or Section 8.01(b), a certificate of a Financial Officer of each of Parent Guarantor and the Borrower in substantially the form of Exhibit D hereto (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations demonstrating compliance with Section 9.01 and (iii) stating whether any change in GAAP or in the application thereof has occurred since the date of the Financial Statements and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate.

(e) Lists of Purchasers. Concurrently with the delivery of each March 1 Reserve Report to the Administrative Agent pursuant to Section 8.12(a), a list of Persons purchasing Hydrocarbons from the Borrower and its Subsidiaries reasonably expected to account for at least 80% of the revenues resulting from the sale of Hydrocarbons produced from the Mortgaged Properties in the quarter following the "as of" date of such Reserve Report.

(f) Certificate of Financial Officer; Swap Agreements. Concurrently with any delivery of financial statements under Section 8.01(a) or Section 8.01(b), a certificate of a Financial Officer, in form and substance satisfactory to the Administrative Agent, setting forth as of a recent date, a true and complete list of all Swap Agreements of the Borrower and each Guarantor, the material terms thereof (including the type, trade date, effective date, termination date, notional amounts or volumes, the strike or fixed rate payor price), the net mark-to-market value therefor, any new credit support agreements relating thereto not listed on Schedule 7.20, any margin required or supplied under any credit support document, in each case, by trade and the counterparty to each such agreement, and any other terms reasonably requested to be set forth therein by the Administrative Agent.

(g) Certificate of Insurer; Insurance Coverage. Concurrently with any delivery of financial statements under Section 8.01(a) (beginning with the financial statements delivered with respect to the fiscal year ending December 31, 2017), a certificate of insurance coverage from each insurer with respect to the insurance required by Section 8.07, in form and substance reasonably satisfactory to the Administrative Agent, and, if reasonably requested by the Administrative Agent or any Lender, all copies of the applicable policies.

(h) Other Accounting Reports. Promptly upon receipt thereof, a copy of each other letter or report submitted to any Obligor by independent accountants in connection with any annual, interim or special audit made by them of the books of the Borrower or any such Guarantor, or the board of directors (or other governing body) of the Borrower or any such Guarantor, and a copy of any response by the Borrower or any such Guarantor or the board of directors (or other governing body) of the Borrower or any such Guarantor, to such letter or report.

(i) SEC and Other Filings; Reports to Shareholders. If any Obligor becomes a publicly traded company or issues public debt securities, then promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by any Obligor with the SEC, or with any national securities exchange.

(j) Notices Under Material Instruments. Promptly after the furnishing thereof, copies of any financial statement, report or notice furnished to or by any Person pursuant to the terms of any preferred stock designation, indenture, loan or credit or other similar agreement, other than this Agreement and not otherwise required to be furnished to the Lenders pursuant to any other provision of this Section 8.01.

(k) Notice of Sales of Property and Liquidation of Swap Agreements. In the event the Borrower or any other Obligor intends to sell, transfer, assign or otherwise dispose of any Property, including without limitation Oil and Gas Properties, or any Equity Interests in any Obligor that would result in a reduction of the Borrowing Base pursuant to Section 2.07(e), other than the sale of inventory in the ordinary course of business, at least five (5) Business Days (or such shorter period as the Administrative Agent may agree in its sole discretion) prior written notice of such disposition, the price thereof and the anticipated date of closing and any other details thereof reasonably requested by the Administrative Agent or any Lender. In the event that any Obligor receives any notice of early termination or replacement of any Swap Agreement to which it is a party from any of its counterparties, or any Swap Agreement to which any Obligor is a party is Liquidated, prompt written notice of the receipt of such early termination or replacement notice or such Liquidation (and in the case of a voluntary Liquidation of any Swap Agreement, no less than three (3) Business Days' (or such shorter period as the Administrative Agent may agree in its sole discretion) prior written notice thereof), as the case may be, together with a reasonably detailed description or explanation thereof and any other details thereof reasonably requested by the Administrative Agent or any Lender.

(l) Notice of Casualty Events. Prompt written notice, and in any event within three Business Days of a Responsible Officer obtaining knowledge, of the occurrence of any Casualty Event (or such longer period as the Administrative Agent may agree in its sole discretion).

(m) Information Regarding the Obligors. Prompt written notice (and in any event within ten (10) Business Days prior thereto or such shorter period as the Administrative Agent may agree in its sole discretion) of any change (i) in the Borrower's or any Guarantor's corporate name or in any trade name used to identify such Person in the conduct of its business or in the ownership of its Properties, (ii) in the location of the Borrower's or any Guarantor's chief executive office or principal place of business, (iii) in the Borrower's or any Guarantor's identity or corporate structure or in the jurisdiction in which such Person is incorporated or formed, and (iv) in the Borrower's or any Guarantor's federal taxpayer identification number.

(n) Production Report and Lease Operating Statements. Within forty-five (45) days of the end of each fiscal quarter, a report setting forth, for each calendar month during the then current fiscal year to date through and including the last day of the calendar month for which financial statements have been delivered the volume of production and sales attributable to production (including the prices at which such sales were made and the revenues derived from such sales) for each such calendar month from the Oil and Gas Properties, and setting forth the related ad valorem, severance and production taxes and lease operating expenses attributable thereto and incurred for each such calendar month.

(o) Notices of Certain Changes. Promptly, but in any event within fifteen (15) days after the execution thereof (or such later date as the Administrative Agent may agree in its sole discretion), copies of any amendment, modification or supplement to the certificate of formation, limited liability company agreement, articles of incorporation, by-laws, any preferred stock designation or any other organic document of any Obligor.

(p) Annual Budget and Projections. Within sixty (60) days after the end of each fiscal year of the Borrower, a detailed annual business plan and budget for the following three fiscal years of the Obligors on a consolidated basis, including cash flow and capital expenditure forecasts prepared by management of the Borrower. Each business plan and budget delivered pursuant to this Section 8.01(p) shall include financial information on a quarterly basis for the first fiscal year, totaled for such fiscal year, and on an annual basis thereafter.

(q) Deposit and Securities Accounts. Concurrently with any delivery of financial statements under Section 8.01(a) (beginning with the financial statements delivered with respect to the fiscal year ending December 31, 2017), an updated Schedule 7.22 setting forth all deposit and securities accounts maintained by the Obligors and each of their respective Subsidiaries.

(r) Other Requested Information. Promptly following any written request therefor, such other information regarding the operations, business affairs and financial condition of any Obligor (including any Plan and any reports or other information required to be filed with respect thereto under ERISA), or compliance with the terms of this Agreement or any other Loan Document, as the Administrative Agent, the Issuing Bank or any Lender may reasonably request.

Section 8.02 Notices of Material Events. Parent Guarantor and the Borrower will furnish to the Administrative Agent and each Lender prompt written notice but in no event longer than five (5) Business Days of a Responsible Officer obtaining knowledge of the following:

(a) the occurrence of any Default or Event of Default, which notice shall specify the nature thereof, the period of existence thereof and what action the Borrower proposes to take with respect thereto;

(b) the filing or commencement of, or the threat in writing of, any action, suit, proceeding, investigation or arbitration by or before any arbitrator or Governmental Authority (including any Environmental Law) against or affecting any Obligor not previously disclosed in writing to the Lenders or any material adverse development in any action, suit, proceeding, investigation or arbitration (whether or not previously disclosed to the Lenders) that, in either case, if adversely determined, could reasonably be expected to result in a judgment, loss or damages individually or in the aggregate in excess of $15,000,000;

(c) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred after the date of this Agreement, would reasonably be expected to result in a Material Adverse Effect; and

(d) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

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

Section 8.03 Existence; Conduct of Business. Each of Parent Guarantor and the Borrower will, and will cause each Subsidiary to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect (a) its legal existence and (b) the rights, licenses, permits, privileges and franchises material to the conduct of its business and maintain, if necessary, its qualification to do business in each other jurisdiction in which its Oil and Gas Properties are located or the ownership of its Properties requires such qualification, except where the failure to so qualify could not reasonably be expected to have a Material Adverse Effect; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 9.11.

Section 8.04 Payment of Obligations. Each of Parent Guarantor and the Borrower will, and will cause each Subsidiary to, timely file all income and other Tax returns and reports required to be filed by it and pay its Tax liabilities, before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, and Parent Guarantor, the Borrower or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP or (b) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect or result in the seizure or levy of any material Property of Parent Guarantor, any Obligor or any Subsidiary.

Section 8.05 Performance of Obligations under Loan Documents. The Borrower will pay the Loans and the other Obligations in accordance with the terms hereof, and Parent Guarantor and the Borrower will, and will cause each Subsidiary to, do and perform every act and discharge all of the obligations to be performed and discharged by them under the Loan Documents, including, without limitation, this Agreement, at the time or times and in the manner specified.

Section 8.06 Operation and Maintenance of Properties. Each of Parent Guarantor and the Borrower, at its own expense, will, and will cause each Subsidiary to, except to the extent the failure to comply could not reasonably be expected to result in a Material Adverse Effect:

(a) operate its Oil and Gas Properties and other material Properties or cause such Oil and Gas Properties and other material Properties to be operated in accordance with customary industry practices and in compliance with all applicable contracts and agreements and in compliance with all Governmental Requirements, including, without limitation, applicable pro ration requirements and Environmental Laws (and with respect to Oil and Gas Properties, all applicable laws, rules and regulations of every other Governmental Authority from time to time constituted to regulate the development and operation of its Oil and Gas Properties and the production and sale of Hydrocarbons and other minerals therefrom).

(b) keep and maintain all Property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and preserve, maintain and keep in good repair, working order and efficiency (ordinary wear and tear excepted) all of its material Oil and Gas Properties and other material properties, including, without limitation, all equipment, machinery and facilities.

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

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

(e) to the extent any Obligor is not the operator of any Property, the Borrower or the applicable Guarantor shall use commercially reasonable efforts to cause the operator to comply with this Section 8.06, but failure of such operator to so comply shall not constitute a failure to comply with this Section 8.06 by the Borrower or the applicable Guarantor.

(f) maintain flood insurance satisfactory to the Lenders with respect to all Mortgaged Property having a structure with two or more walls that is located in a special flood hazard zone from such providers, on such terms and in such amounts as required by the Flood Disaster Protection Act.

Section 8.07 Insurance. Parent Guarantor and the Borrower will, and will cause each Subsidiary to, maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations, and in each case, satisfactory to the Administrative Agent. The loss payable clauses or provisions in each insurance policy or policies insuring any of the Collateral shall be endorsed in favor of and made payable to the Administrative Agent as its interests may appear and such policies shall contain an endorsement naming the Administrative Agent as "additional insured" or "lender loss payable", as applicable, and provide that the insurer will endeavor to give at least thirty (30) days prior notice of any cancellation to the Administrative Agent (or ten (10) days in the case of cancellation for non-payment).

Section 8.08 Books and Records; Inspection Rights. Parent Guarantor and the Borrower will, and will cause each Subsidiary to, keep proper books of record and account in which full, true and correct entries in conformity with GAAP are made of all dealings and transactions in relation to its business and activities. Parent Guarantor and the Borrower will, and will cause each Subsidiary to, permit any representatives designated by the Administrative Agent or any Lender, upon reasonable prior notice, to visit and inspect its Properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested; provided, however, neither the Borrower nor any Guarantor will be required to disclose, discuss, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter (A) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by applicable law or (B) that is subject to attorney-client or similar privilege or constitutes attorney work product.

Section 8.09 Compliance with Laws. Parent Guarantor, Obligors and the Borrower will, and will cause each Subsidiary to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its Property, except (other than with respect to Anti-Corruption Laws, applicable AML Laws and applicable Sanctions) where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. Parent Guarantor, Obligors and the Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by Parent Guarantor, Obligors, the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws, applicable AML Laws and applicable Sanctions.+

Section 8.10 Environmental Matters.

(a) Each of Parent Guarantor and the Borrower shall at its sole expense: (A) comply, and shall cause its Properties and operations and each Subsidiary and each Subsidiary's Properties and operations to comply with all applicable Environmental Laws, except, in each case, where the failure to comply could not reasonably be expected to have a Material Adverse Effect; (B) not Release, and shall cause each Subsidiary not to Release, any Hazardous Material on, under, about or from any of the Borrower's or its Subsidiaries' Properties or any other property offsite the Property to the extent caused by the Borrower's or any of its Subsidiaries' operations, except in compliance with applicable Environmental Laws and except for the Release of Hazardous Materials that could not reasonably be expected to have a Material Adverse Effect; (C) timely obtain or file, and shall cause each Subsidiary to timely obtain or file, all Environmental Permits, if any, required under applicable Environmental Laws to be obtained or filed in connection with the operation or use of the Borrower's or its Subsidiaries' Properties, which failure to obtain or file could reasonably be expected to have a Material Adverse Effect; (D) promptly commence and diligently prosecute to completion, and shall cause each Subsidiary to promptly commence and diligently prosecute to completion, any assessment, evaluation, investigation, monitoring, containment, cleanup, removal, repair, restoration, remediation or other remedial obligations (collectively, the "Remedial Work") in the event any Remedial Work is required under applicable Environmental Laws because of or in connection with the actual or suspected Release of any Hazardous Material on, under, about or from any of the Borrower's or its Subsidiaries' Properties for which the Borrower or any of its Subsidiaries is legally responsible, which failure to commence and diligently prosecute to completion could reasonably be expected to have a Material Adverse Effect; and (E) establish and implement and shall cause each Subsidiary to establish and implement such procedures as may be reasonably necessary to timely and fully identify and satisfy Parent Guarantor, the Borrower and its Subsidiaries' obligations under this Section 8.10(a)(i).

(b) The Borrower will promptly, but in no event later than five (5) Business Days of the occurrence thereof, notify the Administrative Agent and the Lenders in writing of any threatened action, investigation or inquiry by any Governmental Authority or any threatened demand or lawsuit by any Person against any Obligor or their Properties of which the Borrower has knowledge in connection with any Environmental Laws if the Borrower could reasonably anticipate that such action will result in a Material Adverse Effect.

Section 8.11 Further Assurances.

(a) Each Obligor, at its sole expense will, and will cause each Subsidiary to, promptly execute and deliver to the Administrative Agent all such other documents, agreements and instruments reasonably requested by the Administrative Agent to comply with, cure any defects or accomplish the conditions precedent, covenants and agreements of any Obligor or its respective Subsidiaries, as the case may be, in the Loan Documents, including the Notes, or to further evidence and more fully describe the Collateral intended as security for the Obligations, or to state more fully the Obligations secured therein, or to perfect, protect or preserve any Liens created pursuant to this Agreement or any of the Security Instruments or the priority thereof, or to make any recordings, file any notices or obtain any consents, all as may be reasonably necessary or appropriate, in the reasonable discretion of the Administrative Agent, in connection therewith.

(b) Each of the Obligors hereby authorizes the Administrative Agent to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of such Obligor where permitted by law. A carbon, photographic or other reproduction of the Security Instruments or any financing statement covering the Mortgaged Property or any part thereof shall be sufficient as a financing statement where permitted by law. Each Obligor acknowledges and agrees that any such financing statement may describe the collateral as "all assets" of the applicable Obligor or words of similar effect as may be required by the Administrative Agent.

(c) Each of the Obligors at its own expense will, and will cause each of its Subsidiaries, now existing or acquired or formed in the future, with respect to granting a security interest in and pledging Collateral, now owned or hereafter acquired, deliver, as applicable, within ten (10) days (or such later date as the Administrative Agent may agree in its sole discretion), Loan Documents (or joinders thereto), Security Instruments, other instruments, certificates or documents as may be required to perfect the Administrative Agent's security interests and Liens (including delivery of Account Control Agreements in respect of deposit accounts, securities accounts and commodities accounts) and to deliver such other documents and items reasonably requested by the Administrative Agent in connection with the Collateral.

(d) The Borrower and each other Obligor hereby authorizes the Administrative Agent to file one or more financing or continuation statements, and amendments thereto, including without limitation, copies of the order of the Bankruptcy Court or abstracts thereof confirming the Plan of Reorganization authorizing the continuation of the Prepetition Mortgages, relative to all or any part of the Mortgaged Property without the signature of the Borrower or any other Obligor where permitted by law. A carbon, photographic or other reproduction of the Security Instruments or any financing statement covering the Mortgaged Property or any part thereof shall be sufficient as a financing statement where permitted by law. The Administrative Agent will promptly send the Borrower any financing or continuation statements it files without the signature of the Borrower or any other Obligor and the Administrative Agent will promptly send the Borrower the filing or recordation information with respect thereto.

Section 8.12 Reserve Reports.

(a) On or before March 1st and September 1st of each year, commencing March 1, 2017 (except that the report due March 1, 2017 may be delivered on or before May 1, 2017), the Borrower shall furnish to the Administrative Agent and the Lenders a Reserve Report evaluating the Oil and Gas Properties of the Obligors as of the immediately preceding January 1st and July 1st. The Reserve Report as of January 1 of each year shall be prepared by one or more Approved Petroleum Engineers, and the July 1 Reserve Report of each year shall be prepared by or under the supervision of the chief engineer of the Borrower who shall certify such Reserve Report to be true and accurate in all material respects and to have been prepared in accordance with the procedures used in the immediately preceding January 1 Reserve Report.

(b) In the event of an Interim Redetermination, the Borrower shall furnish to the Administrative Agent and the Lenders a Reserve Report prepared by or under the supervision of the chief engineer of the Borrower who shall certify such Reserve Report to be true and accurate in all material respects and to have been prepared in accordance with the procedures used in the immediately preceding January 1 Reserve Report with an "as of" date as required by the Administrative Agent as soon as commercially reasonable, but in any event no later than thirty (30) days following the receipt of such request; provided that at any time prior to delivery of such Reserve Report, the Administrative Agent may, or at the direction of the Required Lenders shall, elect to use the most recently delivered Reserve Report, which such Reserve Report may be rolled forward in a customary manner.

(c) With the delivery of each Reserve Report, the Borrower shall provide to the Administrative Agent and the Lenders a certificate from a Responsible Officer certifying that in all material respects: (i) the information contained in the Reserve Report and any other information delivered in connection therewith is true and correct, (ii) the Borrower or the Guarantors owns good and defensible title to the Oil and Gas Properties evaluated in such Reserve Report and such Properties are free of all Liens except for Liens permitted by Section 9.03, (iii) except as set forth on an exhibit to the certificate, on a net basis there are no gas imbalances, take or pay or other prepayments in excess of the volume specified in Section 7.18 with respect to its Oil and Gas Properties evaluated in such Reserve Report which would require any Obligor to deliver Hydrocarbons either generally or produced from such Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor, (iv) none of their Oil and Gas Properties have been sold (other than Hydrocarbons sold in the ordinary course of business) since the date of the last Borrowing Base determination except as set forth on an exhibit to the certificate, which certificate shall list all of its Oil and Gas Properties sold (other than Hydrocarbons sold in the ordinary course of business) and in such detail as required by the Administrative Agent, (v) attached to the certificate is a list of all marketing agreements entered into subsequent to the later of the date hereof or the most recently delivered Reserve Report which the Borrower could reasonably be expected to have been obligated to list on Schedule 7.19 had such agreement been in effect on the date hereof, (vi) attached thereto is a schedule of the Oil and Gas Properties evaluated by such Reserve Report that are Mortgaged Properties and demonstrating the percentage of the PV-10 of the Oil and Gas Properties evaluated in such Reserve Report classified as total Proved Reserves and those classified as Proved Reserves classified as "proved developed producing" that are Mortgaged Properties represents at least ninety-five percent (95%), of the total PV-10 value of each of the (x) total Proved Reserves, and (y) total Proved Reserves classified as "proved developed producing," respectively evaluated in such Reserve Report and (vii) after giving effect to the grant of any Lien on the Borrower's and the Guarantors' Oil and Gas Properties pursuant to Section 8.14(a) hereof in connection with the redetermination of the Borrowing Base using such Reserve Report, the Mortgaged Properties constitute substantially all, but in no event less than ninety-five percent (95%), of the Borrower's and the Guarantors' total Proved Reserves and total Proved Reserves classified as "proved developed producing."

Section 8.13 Title Information.

(a) On or before the delivery to the Administrative Agent and the Lenders of each Reserve Report required by Section 8.12(a), the Borrower will deliver title information (including title reports, title opinions and other title information) in form and substance acceptable to the Administrative Agent (or such information will have been made available in a manner reasonably acceptable to the Administrative Agent) covering enough of the Oil and Gas Properties evaluated by such Reserve Report that were not included in the immediately preceding Reserve Report, so that the Administrative Agent shall have received together with title information previously delivered or made available to the Administrative Agent, satisfactory title information on at least eighty-five percent (85%) of the total PV-10 of each of the (i) total Proved Reserves, and (ii) total Proved Reserves classified as "proved developed producing", as each is evaluated by such Reserve Report.

(b) If the Borrower has provided title information for additional Properties under Section 8.13(a), the Borrower shall, within sixty (60) days of notice from the Administrative Agent that title defects or exceptions exist with respect to such additional Properties that cause the Borrower not to have good and defensible title to such Properties, either (i) cure any such title defects or exceptions (including defects or exceptions as to priority) which

are not permitted by Section 9.03 raised by such information, (ii) substitute acceptable Mortgaged Properties with no title defects or exceptions except for Liens permitted under Section 9.03 having an equivalent value or (iii) deliver title information in form and substance acceptable to the Administrative Agent or make available such information in a manner reasonably acceptable to the Administrative Agent) so that the Administrative Agent shall have received, together with title information previously delivered or made available to the Administrative Agent, satisfactory title information on at least eighty-five percent (85%) of the total PV-10 of each of the (i) total Proved Reserves, and (ii) total Proved Reserves classified as "proved developed producing", as each is evaluated by such Reserve Report.

(c) If the Borrower is unable to cure any such title defect requested by the Administrative Agent or the Lenders to be cured within the sixty (60) day period or the Borrower does not comply with the requirements to provide acceptable title information covering at least eighty-five percent (85%) of the total PV-10 of each of the (i) total Proved Reserves, and (ii) total Proved Reserves classified as "proved developed producing," as each is evaluated by such Reserve Report, such failure shall not be a Default, but instead the Administrative Agent and/or the Required Lenders shall have the right to exercise the following remedy in their sole discretion from time to time, and any failure to so exercise this remedy at any time shall not be a waiver as to future exercise of the remedy by the Administrative Agent or the Lenders. To the extent that the Administrative Agent is not reasonably satisfied with title to any Mortgaged Property after the sixty (60) day period has elapsed, such unacceptable Mortgaged Property shall not count towards the eighty-five percent (85%) requirement, and the Administrative Agent may send a notice to the Borrower and the Lenders that the then outstanding Borrowing Base shall be reduced by an amount as determined by the Administrative Agent to cause the Borrower to be in compliance with the requirement to provide acceptable title information on at least eighty-five percent (85%) of the total PV-10 of each of the (i) total Proved Reserves, and (ii) total Proved Reserves classified as "proved developed producing," as each is evaluated by such Reserve Report.

Section 8.14 Additional Collateral; Additional Guarantors.

(a) In connection with each Scheduled Redetermination of the Borrowing Base and any redetermination of the Borrowing Base in connection with an acquisition or Disposition of Property permitted hereunder, the Borrower shall review its and the Guarantors' Oil and Gas Properties to ascertain whether such Oil and Gas Properties are Mortgaged Properties. In the event that the Mortgaged Properties do not represent substantially all, but in no event less than ninety-five percent (95%), of its and the Guarantors' (i) total Proved Reserves, and (ii) total Proved Reserves classified as "proved developed producing," then the Borrower shall, and shall cause the Guarantors to, grant, within forty-five (45) days of delivery of the certificate required under Section 8.12(c) (or such later date not to exceed forty-five (45) additional days as the Administrative Agent may agree in its sole discretion), to the Administrative Agent as security for the Obligations a first-priority Lien interest subject only to Liens permitted by Section 9.03 on such Oil and Gas Properties not already subject to a Lien of the Security Instruments such that after giving effect thereto, the Mortgaged Properties will constitute substantially all, but in no event less than ninety-five percent (95%) of each of the Borrower's and the Guarantors' (i) total Proved Reserves, and (ii) total Proved Reserves classified as "proved developed producing." If any Mortgaged Property includes a structure with two or more walls that is located in a special flood hazard zone, the Obligors shall deliver evidence that the flood insurance requirements have been satisfied to the Administrative Agent contemporaneously with delivery of the Security Instruments, and the Administrative Agent shall be satisfied that flood insurance requirements have been satisfied. In order to comply with the foregoing, if any Subsidiary places a Lien on its Oil and Gas Properties and such Subsidiary is not

a Guarantor, then it shall become a Guarantor and comply with Section 8.14(b). All such Liens will be created and perfected by and in accordance with the provisions of deeds of trust, mortgages, security agreements and financing statements or other Security Instruments, all in form and substance reasonably satisfactory to the Administrative Agent and in sufficient executed (and acknowledged where necessary or appropriate) counterparts for recording purposes.

(b) The Borrower shall, or shall cause the Guarantors to, within five (5) Business Days of the formation or acquisition or similar event of any new Subsidiary, or such later date as the Administrative Agent may agree in its sole discretion, to, (i) execute and deliver a supplement to the Guaranty Agreement executed by such Subsidiary, (ii) pledge all of the Equity Interests of such Subsidiary (including, without limitation, delivery of original stock certificates evidencing the Equity Interests of such Subsidiary, together with an appropriate undated stock powers for each certificate duly executed in blank by the registered owner thereof, if applicable) and (iii) execute and deliver such other additional closing documents, certificates and legal opinions as shall reasonably be requested by the Administrative Agent.

(c) Each of the Obligors shall cause all Obligations of the Obligors under the Loan Documents and under any interest rate protection or other Swap Agreements or cash management arrangements entered into with any Lender, the Administrative Agent or any person that at the time such arrangements were entered into was an Affiliate of a Lender or the Administrative Agent that are intended to be secured on an equal and ratable basis with the obligations under the Loan Documents will be unconditionally guaranteed jointly and severally on a pari passu basis with the other Obligations by the Obligors.

Section 8.15 ERISA Compliance. Each of Parent Guarantor and the Borrower will promptly furnish and will cause the Subsidiaries to promptly furnish to the Administrative Agent (a) promptly after a reasonable written request therefor by the Administrative Agent, a copy of each annual report and other report with respect to each Plan or any trust created thereunder most recently filed with the United States Secretary of Labor, the Internal Revenue Service or the PBGC, and (b) promptly upon receipt thereof, copies of any notice of the PBGC's intention to terminate or to have a trustee appointed to administer any Plan.

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

Section 8.17 [Reserved].

Section 8.18 Deposit and Securities Accounts. Each of the Obligors and each of their respective Subsidiaries shall, within thirty (30) days after the Effective Date, maintain all of their deposit and securities accounts (other than Excluded Accounts), and maintain all cash management accounts, with the Administrative Agent or, subject to the Administrative Agent's prior written consent, with another Lender that has entered into an Account Control Agreement with the Administrative Agent and the Borrower or such Subsidiary, as applicable, in form and substance reasonably satisfactory to the Administrative Agent, granting control of such account to the Administrative Agent. The Parent Guarantor and Borrower shall, and shall cause their respective Subsidiaries to (a) provide the Administrative Agent with written notice upon establishing any deposit or securities account (other than an Excluded Account), which such notice shall automatically be deemed to amend Schedule 7.22 to reflect the same, and (b) take all actions necessary to establish the Administrative Agent's control of each such account (other than Excluded Accounts). The Borrower and the Subsidiary Guarantors shall be the only account holders of each deposit or securities account and shall not allow any other Person (other than the Administrative Agent or the applicable depositary institution) to have control over any deposit or securities account or any Property deposited therein. Except as expressly set forth in clause (a) above, all securities, cash, Cash Equivalents and cash proceeds of collateral of the Parent Guarantor, Borrower, each Guarantor and their respective Subsidiaries shall at all times be deposited into the Controlled Proceeds Accounts. After the occurrence and during the continuance of an Event of Default, the Administrative Agent may give instructions directing the disposition of funds credited to any such deposit account or securities account and/or withhold any withdrawal rights from the Borrower or any Obligor with respect to funds credited to any deposit account or securities account. When all of the General Unsecured Claims have been paid or settled, the General Unsecured Claims Account shall be either closed and any remaining proceeds deposited in a Controlled Proceeds Account, or the General Unsecured Claims Account shall cease to be an Excluded Account and become a Controlled Proceeds Account. When all of the professional fees have been paid in accordance with the Plan of Reorganization, the Professional Fee Escrow Account shall be either closed and any remaining proceeds deposited in a Controlled Proceeds Account, or the Professional Fee Escrow Account shall cease to be an Excluded Account and become a Controlled Proceeds Account.

Section 8.19 Initial Swap Agreements. Within ninety (90) days after the Effective Date (or such later date not to exceed thirty (30) additional days as the Administrative Agent may agree in its sole discretion), Borrower shall enter into and maintain swap contracts at market rates covering oil production as follows: (i) 10,000 barrels per day for calendar year 2017, (ii) 8,000 barrels per day for calendar year 2018, (iii) 7,000 barrels per day for calendar year 2019 and such Swap Agreements shall be set forth on Schedule 8.19 (the "Initial Swap Agreements") and such schedule delivered to the Administrative Agent not later than the date that is ninety (90) days after the Effective Date (or such later date as the Administrative Agent may agree to in its sole discretion).

ARTICLE IX
NEGATIVE COVENANTS

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder and all other Obligations payable under the Loan Documents have been paid in full and all Letters of Credit have expired or terminated and all LC Disbursements shall have been reimbursed, each of Parent Guarantor and the Borrower covenants and agrees with the Lenders that:

Section 9.01 Financial Covenants.

(a) Leverage Ratio. Parent Guarantor and its Consolidated Subsidiaries, on a consolidated basis, will not, as of the last day of any fiscal quarter ending commencing with the first fiscal quarter of calendar year 2018, permit the Leverage Ratio to be greater than (i) 5.50 to 1.00 for any fiscal quarter ending during the period from and including January 1, 2018 through and including December 31, 2018; (ii) 4.50 to 1.00 for any fiscal quarter ending during the period from and including January 1, 2019 through and including December 31, 2019, and (iii) 4.00 to 1.00 for any fiscal quarter ending January 1, 2020 and thereafter.

(b) Reserve Coverage Ratio. During the period from and including the Effective Date to September 30, 2018, Parent Guarantor and its Consolidated Subsidiaries, on a consolidated basis, will not permit the Reserve Coverage Ratio as of the Effective Date and as of the delivery date of each Reserve Report to be less than 1.25 to 1.00.

Section 9.02 Debt. Each of the Parent Guarantor and the Borrower will not, and will not permit any Subsidiary to, incur, create, assume or suffer to exist any Debt, except:

(a) the Obligations arising under the Loan Documents or any guaranty of or suretyship arrangement for the Obligations arising under the Loan Documents.

(b) purchase money Debt and Debt under Capital Leases not to exceed $12,500,000 in the aggregate at any time.

(c) Debt associated with performance bonds or surety obligations required by Governmental Requirements or third parties in connection with the operation of the Oil and Gas Properties (including, without limitation, letters of credit provided to support any such bond or surety obligations).

(d) endorsements of negotiable instruments for collection in the ordinary course of business.

(e) intercompany Debt between the Borrower and any Subsidiary Guarantor or between Subsidiary Guarantors to the extent permitted by Section 9.05(f); provided that such Debt is not held, assigned, transferred, negotiated or pledged to any Person other than the Borrower or one of its Wholly-Owned Subsidiaries that is a Subsidiary Guarantor (or, in the case of a pledge, to the Administrative Agent); and, provided, further, that any such Debt shall be subordinated to the Obligations on terms set forth in the Guaranty Agreement.

(f) to the extent constituting Debt, liabilities for tax and governmental assessments in the ordinary course of business that are not yet due.

(g) Junior Indebtedness and any Permitted Refinancing Debt in respect thereof.

(h) for the avoidance of doubt, in-kind obligations relating to net oil or natural gas balancing positions arising in the ordinary course of business.

(i) accounts payable and accrued expenses or other obligations to pay the deferred purchase price of Property or services, from time to time incurred in the ordinary course of business.

(j) Debt associated with worker's compensation claims required by Governmental Requirements or by third parties in connection with the Oil and Gas Properties and otherwise in the ordinary course of business.

(k) any guarantee of any other Debt permitted to be incurred hereunder.

(l) Debt in respect of Secured Swap Agreements and Secured Cash Management Agreements.

(m) unsecured Debt in respect of Swap Agreements entered into in compliance with Section 9.18.

(n) to the extent constituting Debt, obligations on account of minimum volume commitments entered into in the ordinary course of business, including, without limitation, any such minimum volume commitments as entered into prior to the Effective Date.

(o) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument (except in the case of daylight overdrafts) drawn against insufficient funds or in respect of cash management services provided by a bank or other financial institution, each in the ordinary course of business; provided that such Debt is extinguished within five (5) Business Days of incurrence.

(p) other Debt in an aggregate principal amount not to exceed $15,000,000 at any one time outstanding.

(q) Debt of the Borrower or any Obligor existing on the date hereof that is reflected in Schedule 9.02 and any Permitted Refinancing Debt in respect thereof.

Section 9.03 Liens. None of the Obligors will, nor will it permit any of its Subsidiaries to, create, incur, assume or permit to exist any Lien on any of its Properties (now owned or hereafter acquired), except:

(a) Liens securing the payment of any Obligations.

(b) Excepted Liens.

(c) Liens securing purchase money Debt and Capital Leases permitted by Section 9.02(b) but only on the Property that is the subject of such Debt together with any leases, accessions and improvements thereto, insurance thereon, and the proceeds of the foregoing.

(d) Liens on Property not included in the Borrowing Base that are not otherwise permitted by any other clause of this Section 9.03; provided that the aggregate principal or face amount of all Debt secured under this Section 9.03(d) shall not exceed $5,000,000 at any time

(e) [Reserved].

(f) Liens securing Debt permitted under Section 9.02(c) (to the extent subordinated to Liens established pursuant to this Agreement), Section 9.02(f), and Section 9.02(j).

(g) To the extent constituting Liens, any Investment permitted under Section 9.05.

Section 9.04 Restricted Payments.

(a) Each of Parent Guarantor and the Borrower will not, and will not permit any of its Subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, return any capital to its holders of Equity Interests or make any distribution of its Property to its Equity Interest holders; provided that, (i) any Obligor may make Restricted Payments to any other Obligor (other than Parent Guarantor), (ii) Borrower may make Restricted Payments to Parent Guarantor, or may pay on behalf of Parent Guarantor, ordinary course expenses of Parent Guarantor related to their respective activities permitted pursuant to Section 9.21 (including, without limitation, fees and expenses reasonably necessary for public company reporting, stock exchange compliance, board compensation and capital markets activities, including legal, accounting and tax advisory fees and expenses), (iii) so long as no Default, Event of Default or Borrowing Base Deficiency shall have occurred and be continuing or would result therefrom, following the date of the First Scheduled Borrowing Base Redetermination, Borrower may make Restricted Payments to Parent Guarantor, and Parent Guarantor may make pro rata to holders of its Equity Interests, Restricted Payments to its Equity Interest holders if at the time such Restricted Payments are declared or agreed, and at the time such Restricted Payments are paid or made, after giving effect to such payment (x) the Borrowing Base Utilization Percentage is less than or equal to 80% after giving effect to such Restricted Payments, (y) the pro forma Leverage Ratio is no greater than 2:50 to 1.00, and (z) the Borrower and its Consolidated Subsidiaries are in compliance with the financial covenants set forth in Section 9.01 immediately prior to and on a pro forma basis after giving effect to such Restricted Payments, (iv) the Parent Guarantor and Borrower may make Restricted Payments pursuant to and in accordance with stock option plans, other equity compensation plans or other benefit plans for management, employees or other individual service providers of the Obligors, which plans are consistent with those paid by competitors in the market, and have been approved by the Parent Guarantor's or Borrower's board of directors, to the extent such Restricted Payments are made in the ordinary course of business, and (v) the Borrower may declare and pay Restricted Payments with respect to its Equity Interests payable solely in additional shares of its Equity Interests (other than Disqualified Capital Stock).

(b) So long as no Borrowing Base Deficiency, Default or Event of Default has occurred and is continuing or would result therefrom, the Parent Guarantor may make Restricted Payments to Redeem, acquire, retire or repurchase shares of Equity Interests of the Parent Guarantor held by any present or former officer, manager, consultant, director or employee (or their respective Affiliates, estates, spouses, former spouses, successors, executors, administrators, heirs, legatees, distributes or immediate family members) of the Parent Guarantor or any Subsidiary upon the death, disability, retirement or termination of employment of such Person or otherwise in accordance with any equity option or equity appreciation rights plan, any management, director and/or employee equity ownership, benefit or incentive plan or agreements or equity holders' agreement; provided at the time such Restricted Payments are declared or agreed, and at the time such Restricted Payments are paid or made, after giving effect to such payment the Borrowing Base Utilization Percentage is less than or equal to 80% after giving effect to such Restricted Payments.

(c) Notwithstanding anything to the contrary contained in this Section 9.04, for any taxable period in which (i) an Obligor is treated as a "disregarded entity" for U.S. federal income tax purposes and/or is a member of a consolidated, combined, unitary, affiliated or similar tax group of which the Parent Guarantor is the common parent (a "Tax Group") and (ii) and no Default or Event of Default shall have occurred or be continuing or result therefrom, such Obligor (excluding the Parent Guarantor, unless it shall be treated for any taxable period as a pass-through entity for U.S. federal income tax purposes) may declare or make distributions for such taxable period in an amount not to exceed the aggregate Tax liability of such Tax Group for the relevant taxable period; provided that the proceeds of such distributions will be used to pay the Tax liability of the Tax Group directly to the relevant Governmental Authority.

Section 9.05 Investments, Loans and Advances.
None of the Obligors will, nor will it permit any of its Subsidiaries to, make or permit to remain outstanding any Investments in or to any Person, except that the foregoing restriction shall not apply to:

(a) accounts or notes receivable arising from the grant of trade credit in the ordinary course of business.

(b) cash and Cash Equivalents.

(c) to the extent in compliance with Section 8.14, Investments in property of the Obligors used in the ordinary course of business.

(d) [Reserved].

(e) [Reserved].

(f) Investments made by any Obligor in any other Obligor, except the Parent Guarantor.

(g) subject to the limits in Section 9.06, Investments (including, without limitation, capital contributions) in general or limited partnerships or other types of entities (each a "venture") entered into by the Borrower or a Wholly-Owned Subsidiary Guarantor with others in the ordinary course of business; provided that (i) any such venture is engaged exclusively in oil and gas exploration, development, production, processing and related and ancillary activities, including transportation, (ii) the interest in such venture is acquired in the ordinary course of business and on fair and reasonable terms, and (iii) such venture interests acquired and capital contributions made (valued as of the date such interest was acquired or the contribution made) do not exceed, in the aggregate at any time outstanding $15,000,000.

(h) loans or advances to employees, officers or directors in the ordinary course of business of the Borrower, in each case only as permitted by applicable law, including Section 402 of the Sarbanes Oxley Act of 2002, for reasonable and customary business-related travel, entertainment, relocation and analogous ordinary business purposes (including employee payroll advances), but in any event not to exceed $500,000 in the aggregate at any time.

(i) to the extent in compliance with Section 8.14, Investments in Core Acquisitions and Investments.

(j) [Reserved].

(k) other Investments not to exceed $15,000,000 in the aggregate at any time.

(l) [Reserved].

(m) Investments pursuant to Swap Agreements otherwise permitted under this Agreement.

(n) Investments by the Borrower and its Subsidiaries that are (i) customary in the oil and gas exploration and production business, (ii) made in the ordinary course of the Borrower's or such Subsidiary's business, and (iii) made in the form of operating agreements, rights of first refusal, purchase options or similar rights granted pursuant to joint operating agreements and other similar agreements that a reasonable and prudent oil and gas industry owner or operator would find acceptable.

(o) Investments existing on the Effective Date which are disclosed to the Lenders on Schedule 9.05.

(p) to the extent constituting an Investment, transactions permitted under Section 9.02(e), Section 9.06 and Section 9.12.

(q) advances to suppliers or contractors that are not Affiliates in the ordinary course of business in accordance with contracts or agreements customary in the oil and gas industry for oil and gas development activities.

(r) Investments (i) the consideration for which consists solely of common Equity Interests of the Parent Guarantor (or any direct or indirect parent company of the Parent Guarantor) or warrants, options or other rights to purchase or acquire common Equity Interests of the Parent Guarantor (or any direct or indirect parent company of the Parent Guarantor) or (ii) with up to 100% of the Net Proceeds of an offering of common Equity Interests by the Parent Guarantor (or any direct or indirect parent company of the Parent Guarantor) in each case in any Person to the extent not resulting in a Change in Control.

Section 9.06 Fundamental Changes; Nature of Business; International Operations. None of the Obligors will, nor will it permit any of its Subsidiaries to, unless, in the case of clause (b) or (c), (x) it provides five (5) Business Days' prior written notice to the Administrative Agent (or such shorter period as the Administrative Agent may agree to in its sole discretion), and (y) such transaction would not reasonably be expected to result in tax or other consequences that could be material and adverse to the interests of the Lenders or that could reasonably be expected to result in a Material Adverse Effect, (a) allow any material change to be made in the character of its business as an independent oil and gas exploration and production company and activities reasonably incidental or related thereto, (b) change its organizational form, (c) enter into any transaction which has the effect of changing Obligors or any of their respective Subsidiaries' organizational form, (d) liquidate or dissolve, (e) form or acquire any Domestic Subsidiaries, except Wholly Owned Subsidiaries (unless such Subsidiary becomes a Guarantor or is an Investment permitted by Section 9.05(g)) in compliance with Section 8.14, (f) acquire or make any expenditure (whether such expenditure is capital, Debt, operating or otherwise) in or related to, any Oil and Gas Properties not located within the geographical boundaries of the United States of America, or (g) form or acquire any Foreign Subsidiaries.

Section 9.07 Limitation on Leases. None of the Obligors will, nor will it permit any of its Subsidiaries to, create, incur, assume or suffer to exist any obligation for the payment of rent or hire of Property of any kind whatsoever (real or personal but excluding Capital Leases, leases of Hydrocarbon Interests and leases of drilling rigs), under leases or lease agreements

which would cause the aggregate amount of all payments made by Parent Guarantor, the Borrower and the Subsidiaries pursuant to all such leases or lease agreements, including, without limitation, any residual payments at the end of any lease, to exceed $5,000,000 in any period of twelve consecutive calendar months during the life of such leases.

Section 9.08 Proceeds of Loans. Each of Parent Guarantor and the Borrower will not permit the proceeds of the Loans or Letters of Credit to be used for any purpose other than those permitted by Section 7.21. Neither the Borrower nor any Person acting on behalf of the Borrower has taken or will take any action which could cause any of the Loan Documents to violate Regulations T, U or X or any other regulation of the Board or to violate Section 7 of the Exchange Act or any rule or regulation thereunder, in each case as now in effect or as the same may hereinafter be in effect. If requested by the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form U-1 or such other form referred to in Regulation U, Regulation T or Regulation X of the Board, as the case may be. The Borrower will not request any Borrowing or Letter of Credit, and each of Parent Guarantor and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees, Affiliates and agents shall not use, directly or indirectly, the proceeds of any Borrowing or Letter of Credit, or lend, contribute or otherwise make available such proceeds to any Subsidiary, other Affiliate, joint venture partner or other Person, (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 or AML 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, or involving any goods originating in or with a Sanctioned Person or Sanctioned Country, or (C) in any manner that would result in the violation of any Sanctions by any Person (including any Person participating in the transactions contemplated hereunder, whether as underwriter, advisor lender, investor or otherwise).

Section 9.09 Redemption or Repayment of Funded Debt. The Obligors will not, and will not permit any Subsidiary to:

(a) call, make or offer to make any optional Redemption of or otherwise optionally Redeem whether in whole or in part or repay any Funded Debt issued under Section 9.02(g), except with the proceeds of a Permitted Refinancing Debt; or

(b) amend, modify, waive or otherwise change, consent or agree to any amendment, modification, waiver or other change to, any of the terms of any notes evidencing, or any indenture, agreement, instrument, certificate or other document relating to, any Funded Debt incurred under Section 9.02(g) if:

(i) the effect of such amendment, modification or waiver is to shorten the final maturity to a date that is earlier than the date that is 91 days after the Maturity Date, or increase the amount of any payment of principal thereof or increase the rate or shorten any period for payment of interest thereon or modify the method of calculating the interest rate,

(ii) such action adds, amends, changes or otherwise modifies covenants, events of default or other agreements to the extent such covenants, events of default or other agreements are more restrictive taken as a whole or financial covenants are more restrictive than those contained in this Agreement, or

(iii) such action creates a security interest or adds collateral in favor of the holder.

Section 9.10 Sale or Discount of Receivables. Except for receivables obtained by Parent Guarantor, any Obligor or any Subsidiary out of the ordinary course of business or the settlement of joint interest billing accounts in the ordinary course of business or discounts granted to settle collection of accounts receivable or the sale of defaulted accounts arising in the ordinary course of business in connection with the compromise or collection thereof and not in connection with any financing transaction, none of the Obligors will, nor will it permit any of its Subsidiaries to, discount or sell (with or without recourse) any of its notes receivable or accounts receivable.

Section 9.11 Mergers, Sales, Dispositions. None of the Obligors will, nor will it permit any of its Subsidiaries to, merge into or with or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its Property to any other Person (whether now owned or hereafter acquired) (any such transaction, a "consolidation"), or liquidate or dissolve; provided that, so long as no Default or Event of Default has occurred and is then continuing, any Wholly-Owned Subsidiary Guarantor may participate in a consolidation with the Borrower (provided that the Borrower shall be the survivor) or any other Wholly-Owned Subsidiary Guarantor and provided, further, that any Subsidiary may liquidate or dissolve as long as the assets thereof are received by Borrower or a Subsidiary Guarantor that is a wholly owned Subsidiary of the Borrower.

Section 9.12 Sale of Properties. None of the Obligors will, nor will it permit any of its Subsidiaries to, sell, assign, farm-out, convey or otherwise transfer any Property except for the following "Permitted Dispositions": (a) the sale of Hydrocarbons or geological or seismic data in the ordinary course of business; (b) farmouts of undeveloped acreage in the ordinary course of business and assignments in connection with such farmouts or the abandonment, farmout, exchange or disposition of Oil and Gas Properties not containing Proved Reserves; (c) the sale or transfer of equipment that is obsolete or no longer necessary for the business of the Borrower or such Subsidiary or is replaced by or exchanged for equipment of at least comparable value and use; (d) the sale or other disposition (including Casualty Events) of any Oil and Gas Property or any interest therein or any Subsidiary owning Oil and Gas Properties; provided that except with respect to transfers of property subject to a Casualty Event, (i) (A) with respect to transfers of property prior to the First Scheduled Borrowing Base Redetermination, one hundred percent (100%) and (B) with respect to transfers of property after the First Scheduled Borrowing Base Redetermination, eighty percent (80%), of the consideration received in respect of such sale or other disposition shall be cash (it being agreed and understood that assumed liabilities, to the extent not incurred in connection with such disposition and permitted by the Loan Documents, shall constitute cash for such purpose), (ii) the consideration received in respect of such sale or other disposition shall be equal to or greater than the Fair Market Value of the Oil and Gas Property, the interest therein or Subsidiary subject of such sale or other disposition (as reasonably determined by the board of directors (or equivalent body) of the Borrower and, if requested by the Administrative Agent, the Borrower shall deliver a certificate of a Responsible Officer of the Borrower certifying to that effect), (iii) if the Borrowing Base value attributed by the Administrative Agent to such Oil and Gas Property or Subsidiary owning such Oil and Gas Properties when combined with (1) the Borrowing Base value as determined by the Administrative Agent attributed to the Oil and Gas Properties or Subsidiaries owning Oil and Gas Properties sold or otherwise disposed of between, as applicable, either the Effective Date and the date of the First Scheduled Borrowing Base Redetermination, or between scheduled redeterminations, and (2) the Borrowing Base value attributable by the Administrative Agent to

the Liquidated portion of Swap Agreements Liquidated between, as applicable, either the Effective Date and the date of the First Scheduled Borrowing Base Redetermination, or between scheduled redeterminations, is in excess of five percent (5%) of the Borrowing Base as then in effect at the time of such sale or disposition or Liquidation (as determined by the Administrative Agent in its reasonable discretion), then the Borrowing Base shall be reduced, effective immediately upon such sale or disposition or Liquidation, in accordance with Section 2.07(e), and (iv) if any such sale or other disposition is of a Subsidiary owning Oil and Gas Properties, such sale or other disposition shall include all the Equity Interests of such Subsidiary; (e) sales and other dispositions of Properties not regulated by Section 9.12(a) to (d) having a Fair Market Value not to exceed $5,000,000 during any 12-month period; (f) transfers of Properties between Obligors (other than Parent Guarantor) so long as such Properties continue to constitute Collateral if they were Collateral before such transfer and any perfection requirements with respect to such Collateral have been complied with; (g) asset swaps as are customary in the oil and gas industry if (x) there is no Borrowing Base value attributable by the Administrative Agent to such swapped assets or (y) the Borrowing Base value attributable by the Administrative Agent in its reasonable discretion to such swapped assets is less than five percent (5%) of the Borrowing Base as then in effect at the time of such asset swap, or (z) the Borrowing Base value attributable by the Administrative Agent to such swapped assets is equal to or in excess of five percent (5%) of the Borrowing Base then in effect at the time of such asset swap (as determined by the Administrative Agent in its reasonable discretion), then the Borrowing Base shall be re-determined, effective immediately upon such swap or exchange, by an amount equal to such Borrowing Base value attributed to such Property as offset by the Borrowing Base value attributed to the assets so acquired, as determined by the vote of the Required Lenders; and (h) disposition of Property to the Borrower or any Subsidiary Guarantor. For the avoidance of doubt, any redetermination that potentially results in an increase to the Borrowing Base shall require the vote of all the Lenders.

Section 9.13 Deposit Accounts; Account Control Agreements.

(a) Neither the Parent Guarantor, the Borrower nor any of their respective Subsidiaries shall establish or maintain any cash or securities deposit account without providing prior written notice to the Administrative Agent and shall not open any new cash or securities deposit account unless and until all actions necessary to establish the Administrative Agent's control and perfected security interest in each such account that is not an Excluded Deposit Account. One or more of the Borrower and the Subsidiary Guarantors shall be the sole account holders of each deposit account and shall not allow any other Person (other than the Administrative Agent) to have control over a Controlled Proceeds Account or any Property deposited therein.

(b) None of the Parent Guarantor and the Borrower and each of their respective Subsidiaries will maintain any securities, Cash Equivalents, cash and all cash proceeds of Collateral in any account except in the Controlled Proceeds Accounts, and neither the Borrower nor any other Obligor will transfer funds from such Controlled Proceeds Accounts to any account of the Borrower, any Guarantor, or any Subsidiary or Affiliate of any Obligor, that is not subject to an Account Control Agreement and a perfected security interest in favor of the Administrative Agent; *provided, however,* that cash in an amount not exceeding $250,000 may be deposited into Excluded Accounts.

Section 9.14 Transactions with Affiliates. None of the Obligors will, nor will it permit any Subsidiary to, enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property or the rendering of any service, with any Affiliate (other than transactions between the Borrower and any Wholly-Owned Subsidiary Guarantor and transactions between Wholly-Owned Subsidiary Guarantors) except (i) such transactions as are otherwise permitted under this Agreement and are upon fair and reasonable terms no less favorable to it than it would obtain in a comparable arm's length transaction with a Person not an Affiliate and (ii) any Restricted Payment permitted by Section 9.04.

Section 9.15 Subsidiaries. None of the Obligors will, nor will it permit any of its Subsidiaries to, create or acquire any additional Subsidiary unless the Borrower gives written notice to the Administrative Agent of such creation or acquisition within ten (10) Business Days of such creation or acquisition (or such later date as the Administrative Agent may agree in its sole discretion) and complies with Section 8.14(b). Each of Parent Guarantor and the Borrower shall not, and shall not permit any Subsidiary to, sell, assign or otherwise dispose of any Equity Interests in any Subsidiary except in compliance with Section 9.12(d). None of Parent Guarantor, the Borrower and any Subsidiary shall have any Foreign Subsidiaries and each Subsidiary shall be a Wholly-Owned Subsidiary.

Section 9.16 Negative Pledge Agreements; Dividend Restrictions. None of the Obligors will, nor will it permit any of its Subsidiaries to, create, incur, assume or suffer to exist any contract, agreement or understanding (other than this Agreement, the Security Instruments, purchase money and Capital Leases creating Liens permitted by Section 9.03(c) and the documentation for any other Debt permitted under Section 9.02 or Liens permitted under Section 9.03) which in any way prohibits or restricts (i) the granting, conveying, creation or imposition of any Lien on any of its Property in favor of the Administrative Agent and the Lenders, (ii) any Subsidiary from paying dividends or making any other distributions in respect of its Equity Interests to Parent Guarantor, the Borrower or any other Subsidiary, (iii) any Subsidiary from making loans or advances, or transferring any Property, to Parent Guarantor, the Borrower or any other Subsidiary, or which requires the consent of other Persons in connection therewith, or (iv) any Guarantor from guaranteeing the Obligations.

Section 9.17 Gas Imbalances, Take-or-Pay or Other Prepayments. The Borrower will not, and will not permit any Subsidiary to, allow gas imbalances, take-or-pay or other prepayments with respect to the Oil and Gas Properties of any Obligor or any Subsidiary that would require the Borrower or such Subsidiary to deliver Hydrocarbons at some future time without then or thereafter receiving full payment therefor to exceed two percent (2%) of the aggregate volumes of Hydrocarbons (on an Mcf equivalent basis) anticipated to be produced from the Borrower's and the Guarantors' Proved Reserves classified as "proved developed producing" listed in the most recent Reserve Report.

Section 9.18 Swap Agreements.

(a) Obligors shall not enter into Swap Agreements with any counterparty that is not an Approved Counterparty.

(b) Obligors shall not create off-setting positions and shall not Liquidate or replace the Initial Swap Agreements without Required Lender Consent; provided, that from and after the date of the First Scheduled Borrowing Base Redetermination, the Liquidation or replacement of Swap Agreements other than the Initial Swap Agreements will be permitted; provided further, that, if net proceeds from the Liquidation when aggregated with proceeds of the asset dispositions pursuant to clause (i) above exceed five percent (5%) of the then current Borrowing Base, there shall be an immediate Borrowing Base redetermination, and if a Borrowing Base Deficiency exists as a result of such Liquidation, the proceeds of such Liquidation shall be used make a prepayment pursuant to Section 3.04 (c)(iii).

(c) Each Obligor will not, and will not permit any Subsidiary to, enter into any Swap Agreements with any Person other than (a) (i) Swap Agreements in respect of commodities (ii) with an Approved Counterparty, (iii) the notional volumes for which (when aggregated with other commodity Swap Agreements then in effect other than put or floor options as to which an upfront premium has been paid or basis differential swaps on volumes already hedged pursuant to other Swap Agreements) do not exceed, as of the date such Swap Agreement is executed, ninety percent (90%) of the reasonably anticipated projected production from proved, developed, producing Oil and Gas Properties determined by reference to the Initial Reserve Report or thereafter the Reserve Report most recently delivered pursuant to Section 8.12 (the "Ongoing Swaps") for each month during the period during which such Swap Agreement is in effect for each of crude oil and natural gas, calculated separately, and (iv) the tenor of which is not more than 60 months from the date such Swap Agreement is entered into; provided, that the Borrower may purchase puts the notional volumes for which exceed the foregoing percentage limitations (but which do not exceed one hundred percent (100%) of the reasonably anticipated projected production from proved, developed producing Oil and Gas Properties for the relevant calendar year)]; provided, further, that the Borrower may update any such forecast by providing the Administrative Agent a statement delivered by an Approved Petroleum Engineer and any additional information reasonably requested by the Administrative Agent that is, in each case, reasonably satisfactory to the Administrative Agent (and shall include new reasonably anticipated Hydrocarbon production from new wells or other production improvements and any dispositions, well shut-ins and other reductions of, or decreases to, production); and (b) Swap Agreements in respect of interest rates with an Approved Counterparty effectively converting interest rates from (y) floating to fixed, the notional amounts of which (when aggregated with all other Swap Agreements of the Borrower and its Subsidiaries then in effect effectively converting interest rates from floating to fixed) do not exceed, as of the date such Swap Agreement is entered into, 75% of the then outstanding principal amount of the Borrower's Debt for borrowed money which bears interest at a floating rate or (z) fixed to floating, the notional amounts of which (when aggregated with all other Swap Agreements of the Borrower and its Subsidiaries then in effect effectively converting interest rates from fixed to floating) do not exceed, as of the date such Swap Agreement is entered into, 50% of the then outstanding principal amount of the Borrower's Debt for borrowed money which bears interest at a fixed rate. In no event shall any Swap Agreement contain any requirement, agreement or covenant for any Obligor or any Subsidiary to post collateral or margin to secure their obligations under such Swap Agreement or to cover market exposures; provided, however, that the foregoing shall not prohibit or be deemed to prohibit the Secured Swap Obligations from being secured by the Security Instruments.

Section 9.19 Material Agreements; Borrower Governance Documents. Each of Obligors and their respective Subsidiaries will not amend, amend and restate, supplement or otherwise modify (i) any agreement for Material Indebtedness, (ii) its Organizational Documents if the effect thereof would be materially adverse to the Lenders; provided that the Obligors shall promptly furnish to the Administrative Agent a copy of any amendment, supplement or modification to such documents.

Section 9.20 Sale and Leaseback Transaction. The Borrower will not enter into any Sale and Leaseback Transactions.

Section 9.21 Passive Status of Parent Guarantor. Notwithstanding anything to the contrary contained herein or in any other Loan Document, Parent Guarantor shall not engage in any operating or business activities other than its ownership of the Borrower and shall not directly hold Equity Interests of any Subsidiary except the Borrower; provided that the following and activities incidental thereto shall be permitted in any event: (a) the maintenance of its legal existence (including the ability to incur fees, costs and expenses relating to such maintenance), (b) the performance of its obligations with respect to the Loan Documents, (c) payment of Taxes, (d) providing indemnification to officers, managers and directors, (e) making Restricted Payments to holders of its Equity Interests to the extent permitted by Section 9.04, and (f) any other activities incidental to the foregoing.

ARTICLE X
EVENTS OF DEFAULT; REMEDIES

Section 10.01 Events of Default. Each of the following events shall constitute an "Event of Default":

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

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

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

(d) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in Section 8.01, Section 8.02(a), Section 8.03(a) (with respect to the legal existence of the Borrower or any Guarantor), Section 8.09 (with respect to Anti-Corruption law, AML laws, and Sanctions), Section 8.14, Section 8.18, Section 8.19 or in Article IX.

(e) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in Section 10.01(a) to (d) and (f) to (m)) or any other Loan Document, and such failure shall continue unremedied for a period of 30 days after the earlier to occur of (i) notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender) or (ii) a Responsible Officer of the Borrower or such Guarantor otherwise becoming aware of such Default.

(f) any Obligor shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable following the expiration of any applicable grace or cure period therefor.

(g) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the Redemption thereof or any offer to Redeem to be made in respect thereof, prior to its scheduled maturity or require any Obligor to make an offer in respect thereof, in each case, following the expiration of any applicable grace or cure period therefor.

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

(i) any Obligor shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in Section 10.01(h), (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Obligor for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing; or the holders of Equity Interests of any Obligor shall make any request or take any action for the purpose of calling a meeting of members, the board of directors, board of managers or other appropriate governing body of the Borrower or such Guarantor to consider a resolution to dissolve and wind-up the Borrower's or such Guarantor's affairs.

(j) any Obligor shall become unable, admit in writing its inability or fail generally to pay its debts as they become due.

(k) (i) one or more judgments (other than in connection with litigation disclosed in Schedule 7.05), for the payment of money in an aggregate amount in excess of $10,000,000 (to the extent not covered by independent third party insurance as to which the insurer does not dispute coverage and is not subject to an insolvency proceeding) or (ii) any one or more non-monetary judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, shall be rendered against the Borrower, any Guarantor or any combination thereof and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Obligor to enforce any such judgment.

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

(m) a Change in Control shall occur.

(n) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred, could reasonably be expected to have a Material Adverse Effect.

Section 10.02 Remedies.

(a) In the case of an Event of Default other than one described in Section 10.01(h) or Section 10.01(i), at any time thereafter during the continuance of such Event of Default, the Administrative Agent may, and at the request of the Majority Lenders, shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Notes and the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Obligors accrued hereunder and under the Notes and the other Loan Documents (including, without limitation, the payment of cash collateral to secure the LC Exposure as provided in Section 2.08(j)), shall become due and payable immediately, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by the Borrower and each Guarantor; and in case of an Event of Default described in Section 10.01(h) or Section 10.01(i), the Commitments shall automatically terminate and the Notes and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and the other obligations of the Obligors accrued hereunder and under the Notes and the other Loan Documents (including, without limitation, the payment of cash collateral to secure the LC Exposure as provided in Section 2.08(j)), shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower and each Guarantor.

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

(c) All proceeds realized from the liquidation or other disposition of Collateral or otherwise received after maturity of the Loans or the Notes, whether by acceleration or otherwise, shall be applied:

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

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

(iii) *third*, pro rata to payment of accrued interest on the Loans and LC Disbursements;

(iv) *fourth*, pro rata to payment of (A) principal outstanding on the Loans, (B) reimbursement obligations in respect of Letters of Credit pursuant to Section 2.08(e) (and cash collateralization of LC Exposure hereunder), (C) Secured Swap Obligations owing to Secured Swap Parties and (D) Secured Cash Management Obligations owing to Secured Cash Management Providers;

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

(vi) *sixth*, any excess, after all of the Obligations shall have been indefeasibly paid in full in cash, shall be paid to the Borrower or as otherwise required by any Governmental Requirement;

provided that, for the avoidance of doubt, Excluded Swap Obligations with respect to any Guarantor shall not be paid with amounts received from such Guarantor or its assets, but appropriate adjustments shall be made with respect to payments from the Borrower and any other Guarantors to preserve the allocation to Obligations otherwise set forth above in this Section 10.02(c).

(d) Credit Bidding. Each of the Borrower and the other Obligors, and the Lenders hereby irrevocably authorize (and by entering into a Swap Agreement, each Approved Counterparty shall be deemed to authorize) the Administrative Agent, based upon the instruction of the Majority Lenders, to Credit Bid and purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (and the Borrower and each other Obligor and their respective Subsidiaries shall approve the Administrative Agent as a qualified bidder and such Credit Bid as a qualified bid) at any sale thereof conducted by the Administrative Agent, based upon the instruction of the Majority Lenders, under any provisions of the Uniform Commercial Code, as part of any sale or investor solicitation process conducted by the Borrower or any other Obligor or their respective Subsidiaries, any interim receiver, manager, receiver and manager, administrative receiver, trustee, agent or other Person pursuant or under any insolvency laws; provided, however, that (a) the Majority Lenders may not direct the Administrative Agent in any manner that does not treat each of the Lenders equally, without preference or discrimination, in respect of consideration received as a result of the Credit Bid, (b) the acquisition documents shall be commercially reasonable and contain customary protections for minority holders, such as, among other things, anti-dilution and tag-along rights, (c) the exchanged debt or equity securities must be freely transferable, without restriction (subject to applicable securities laws) and (d) reasonable efforts shall be made to structure the acquisition in a manner that causes the governance documents pertaining thereto to not impose any obligations or liabilities upon the Lenders individually (such as indemnification obligations).

ARTICLE XI
THE ADMINISTRATIVE AGENT

Section 11.01 Appointment; Powers. Each of the Lenders and the Issuing Bank hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof and the other Loan Documents, together with such actions and powers as are reasonably incidental thereto. Other than Section 11.06, the provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Bank, and neither the Borrower nor any Guarantor shall have rights as a third party beneficiary of any of such provisions.

Section 11.02 Duties and Obligations of Administrative Agent. The Administrative Agent and the Issuing Bank shall have no duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) neither the Administrative Agent nor the Issuing Bank shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing (the use of the term "agent" herein and in the other Loan Documents with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law; rather, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties), (b) neither the Administrative Agent nor the Issuing Bank shall have any duty to take any discretionary action or exercise any discretionary powers, except as provided in Section 11.03, and (c) except as expressly set forth herein, neither the Administrative Agent nor the Issuing Bank shall have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or as Issuing Bank or any of their Affiliates in any capacity. Neither the Administrative Agent nor the Issuing Bank shall be deemed to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent and the Issuing Bank by the Borrower or a Lender, and shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or under any other Loan Document or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or in any other Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in Article VI or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent or the Issuing Bank or as to those conditions precedent expressly required to be to the Administrative Agent's satisfaction, (vi) the existence, value, perfection or priority of any collateral security or the financial or other condition of the Borrower and its Subsidiaries or any other obligor or guarantor, or (vii) any failure by the Borrower or any other Person (other than itself) to perform any of its obligations hereunder or under any other Loan Document or the performance or observance of any covenants, agreements or other terms or conditions set forth herein or therein. For purposes of determining compliance with the conditions specified in Article VI, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent and the Issuing Bank shall have received written notice from such Lender prior to the proposed closing date specifying its objection thereto.

Section 11.03 Action by Administrative Agent. Neither the Administrative Agent nor the Issuing Bank shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent or the Issuing Bank is required to exercise in writing as directed by the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02) and in all cases the Administrative Agent and the Issuing Bank shall be fully justified in failing or refusing to act hereunder or under any other Loan Documents unless it shall (a) receive written instructions from the Majority Lenders, the Required Lenders or the Lenders, as applicable, (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02) specifying the action to be taken and (b) be indemnified to its satisfaction by the Lenders against any and all liability and expenses which may be incurred by it by reason of taking or continuing to take any such action. The instructions as aforesaid and any action taken or failure to act pursuant thereto by the Administrative Agent and the Issuing Bank shall be binding on all of the Lenders. If a Default has occurred and is continuing, then the

Administrative Agent shall take such action with respect to such Default as shall be directed by the requisite Lenders in the written instructions (with indemnities) described in this Section 11.03; provided that, unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interests of the Lenders. In no event, however, shall the Administrative Agent or the Issuing Bank be required to take any action which exposes the Administrative Agent or the Issuing Bank to personal liability or which is contrary to this Agreement, the Loan Documents or applicable law. The Administrative Agent and the Issuing Bank shall not be liable for any action taken or not taken by it with the consent or at the request of the Majority Lenders, the Required Lenders or the Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02), and otherwise the Administrative Agent and the Issuing Bank shall not be liable for any action taken or not taken by it hereunder or under any other Loan Document or under any other document or instrument referred to or provided for herein or therein or in connection herewith or therewith INCLUDING ITS OWN ORDINARY NEGLIGENCE, except for its own gross negligence or willful misconduct.

Section 11.04 Reliance. The Administrative Agent and the Issuing Bank shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent and the Issuing Bank also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon and each of the Borrower, the Lenders and the Issuing Bank hereby waive the right to dispute the Administrative Agent's or the Issuing Bank record of such statement, except in the case of gross negligence or willful misconduct by the Administrative Agent or the Issuing Bank, as the case may be. The Administrative Agent and the Issuing Bank may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts. The Administrative Agent may deem and treat the payee of any Note as the holder thereof for all purposes hereof unless and until a written notice of the assignment or transfer thereof permitted hereunder shall have been filed with the Administrative Agent.

Section 11.05 Subagents. The Administrative Agent and the Issuing Bank may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and the Issuing Bank and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding Sections of this Article XI shall apply to any such sub-agent and to the Related Parties of the Administrative or the Issuing Bank and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Section 11.06 Resignation of Administrative Agent. Subject to the appointment and acceptance of a successor Administrative Agent as provided in this Section 11.06, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Bank and the Borrower. Upon any such resignation, the Majority Lenders shall have the right, with, so long as no Event of Default has occurred and is continuing, the prior written consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed), to appoint a successor which shall be a Person who is legally able to comply with Section 5.03(g). If no successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within

thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Bank, appoint a successor Administrative Agent which shall be a bank with an office in Houston, Texas, or an Affiliate of any such bank, and that is legally able to comply with Section 5.03(g). Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. After the Administrative Agent's resignation hereunder, the provisions of this Article XI and Section 12.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent.

Section 11.07 Administrative Agent and Issuing Bank as Lender. The bank serving as the Administrative Agent or Issuing Bank hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent or the Issuing Bank, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with any Obligor or any Subsidiary or other Affiliate thereof as if it were not the Administrative Agent or the Issuing Bank hereunder.

Section 11.08 No Reliance. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or the Issuing Bank or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and each other Loan Document to which it is a party. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or the Issuing Bank or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document, any related agreement or any document furnished hereunder or thereunder. Neither the Administrative Agent nor the Issuing Bank shall be required to keep itself informed as to the performance or observance by the Borrower or any of its Subsidiaries of this Agreement, the Loan Documents or any other document referred to or provided for herein or to inspect the Properties or books of the Borrower or its Subsidiaries. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by the Administrative Agent hereunder, neither the Administrative Agent nor the Issuing Bank shall have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of the Borrower (or any of its Affiliates) which may come into the possession of the Administrative Agent or the Issuing Bank or any of their Affiliates. In this regard, each Lender acknowledges that Baker & McKenzie LLP is acting in this transaction as special counsel to the Administrative Agent only, except to the extent otherwise expressly stated in any legal opinion or any Loan Document. Each other party hereto will consult with its own legal counsel to the extent that it deems necessary in connection with the Loan Documents and the matters contemplated therein.

Section 11.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Borrower or any of its Subsidiaries, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 12.03) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 12.03.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

Section 11.10 Withholding Tax. To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. Without limiting the provisions of Section 5.03(a) or Section 5.03(c), each Lender and the Issuing Bank shall, and does hereby, indemnify the Administrative Agent, and shall make payable in respect thereof within ten (10) days after demand therefor, against any and all Taxes and any and all related losses, claims, liabilities and expenses (including fees, charges and disbursements of any counsel for the Administrative Agent) incurred by or asserted against the Administrative Agent by the IRS or any other Governmental Authority as a result of the failure of the Administrative Agent to properly withhold Tax from amounts paid to or for the account of any Lender for any reason (including, without limitation, because the appropriate form was not delivered or not property executed, or because such Lender failed to notify the Administrative Agent of a change in circumstance that rendered the exemption from, or reduction of withholding tax ineffective). A certificate as to the amount of such payment or liability delivered to any Lender or the Issuing Bank by the Administrative Agent shall be conclusive absent manifest error. Each Lender and the Issuing Bank hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or the Issuing Bank under this Agreement or any other Loan Document against any amount due the Administrative Agent under this Section 11.10. The agreements in this Section 11.10 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

Section 11.11 Authority of Administrative Agent to Release Collateral and Liens. Each Lender (on behalf of itself and on behalf of any Affiliate that is a Secured Swap Party) or a Secured Cash Management Provider and the Issuing Bank hereby authorizes the Administrative Agent to release (a) all of the Collateral at the time set forth in Section 12.22, (b) any Collateral

that is permitted to be sold or released pursuant to the terms of the Loan Documents and (c) any Guarantor from the Guaranty Agreement pursuant to the terms hereof and thereof. Each Lender and the Issuing Bank hereby authorizes the Administrative Agent to execute and deliver to the Borrower, at the Borrower's sole cost and expense, any and all releases of Liens, termination statements, assignments or other documents reasonably requested by the Borrower in connection with the release of any such Collateral or Guarantor.

ARTICLE XII
MISCELLANEOUS

Section 12.01 Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to Section 12.01 (b)), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or electronic communication, as follows:

(i) if to Parent Guarantor or the Borrower, to it at:

Berry Petroleum Company,
LLC 5201 Truxtun Ave., Suite 100
Bakersfield, California 93309
Attention: Steven B. Wilson
Email address: SBW@bry.com

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

Norton Rose Fulbright US LLP
Fulbright Tower
1301 McKinney
Suite 5100
Houston, Texas 77010-3095
Attention: William R. Greendyke, Esq.
Facsimile: (713) 651-5246
Email: william.greendyke@nortonrosefulbright.com

and

Norton Rose Fulbright US LLP
Fulbright Tower
1301 McKinney
Suite 5100
Houston, Texas 77010-3095
Attention: John G. Mauel, Esq.
Facsimile: (713) 651-5246
Email: john.mauel@nortonrosefulbright.com

(ii) if to the Administrative Agent or the Issuing Bank, to it at:

Wells Fargo Bank, National Association
1000 Louisiana Street, 9th Floor
Houston, Texas 77002
Attention: Patrick Fults
Facsimile: (713) 319-1925
Email: Patrick.j.fults@wellsfargo.com

with a copy to the Administrative Agent at:

Wells Fargo Bank, National Association
MAC D1109-019
1525 West W. T. Harris Blvd.
Charlotte, NC 28262
Attention: Syndication Agency Services
Facsimile: (704) 590-3481

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

Baker & McKenzie LLP
452 Fifth Avenue
New York, New York 10018
Attention: James Donnell, Esq.
Facsimile: (212) 310-1675
Email: james.donnell@bakermckenzie.com

and

Baker & McKenzie LLP
300 East Randolph Street
Chicago, Illinois 60601
Attention: Garry W. Jaunal, Esq.
Facsimile: (312) 698-2829
Email: garry.jaunal@bakermckenzie.com

(iii) if to any other Lender, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II, Article III, Article IV and Article V unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent, Parent Guarantor or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

(c) Any party hereto may change its address, telecopy number or email address for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 12.02 Waivers; Amendments.

(a) No failure on the part of the Administrative Agent, the Issuing Bank or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege (including the right to make a Scheduled Redetermination), or any abandonment or discontinuance of steps to enforce such right, power or privilege, under any of the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under any of the Loan Documents preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the Administrative Agent, the Issuing Bank and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by Section 12.02(b), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or the Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Neither this Agreement nor any provision hereof nor any other Loan Document nor any provision thereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Majority Lenders or by the Borrower and the Administrative Agent with the consent of the Majority Lenders; provided that no such agreement shall (i) increase the Commitment or the Maximum Credit Amount of any Lender without the written consent of such Lender, (ii) increase the Borrowing Base without the written consent of each Lender, decrease or maintain the Borrowing Base without the consent of the Required Lenders and the Administrative Agent, or modify Section 2.07 in any manner without the consent of each Lender (other than any Defaulting Lender); provided that a Scheduled Redetermination may be postponed or delayed by the Required Lenders, (iii) reduce the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon (except in connection with any amendment or waiver of the applicability of any post-default increase in interest rates, which shall be effective with the consent of the Majority Lenders), or reduce any fees payable hereunder, or reduce any other Obligations hereunder or under any other Loan Document, without the written consent of each Lender affected thereby, (iv) postpone the scheduled date of payment or prepayment of the principal amount of any Loan or LC Disbursement, or any interest thereon, or any fees payable hereunder, or any other Obligations hereunder or under any other Loan Document, or reduce the amount of, waive or excuse any such payment, or postpone or extend the Termination Date without the written consent of each Lender affected thereby, (v) change Section 2.06, Section 4.01(b), Section 4.01(c) or any other term or condition hereof in a manner that would alter the pro rata reduction of commitments or the pro rata sharing of payments required thereby, without the written consent of each Lender, (vi) waive or amend Section 10.02(c) or Section 12.14 or change the definition of the terms “Domestic Subsidiary”, “Foreign Subsidiary”, “Subsidiary” or “Subsidiary Guarantor”, without the written consent of each Lender; provided that any waiver or amendment of Section 12.14, this proviso in this Section 12.02(b)(vi), Section 12.02(b)(vii) or Section 12.02(b)(ix), shall also require the written consent of each Secured Swap Party and each Secured Cash Management Provider, (vii) modify the terms of Section 10.02(c) without the written consent of each Lender, Secured Swap Party and Secured Cash Management Provider adversely affected thereby, or amend or otherwise change the definition of “Secured Swap Agreement,” “Secured Swap Obligations” or “Secured Swap Party,” without the written consent of each Secured Swap Party adversely affected thereby or the definition of “Secured Cash Management Agreement,” “Secured Cash Management Obligations” or “Secured Cash Management Provider,” without the written consent of each Secured Cash Management Provider adversely affected thereby), (viii) release any Guarantor

(except as set forth in this Agreement and the Guaranty Agreement) or release all or substantially all of the Collateral, except as provided in Section 11.11, without the written consent of each Lender, (ix) amend or otherwise modify any Security Instrument in a manner that results in the Secured Swap Obligations or the Secured Cash Management Obligations secured by such Security Instrument no longer being secured thereby on an equal and ratable basis with the principal of the Loans without the written consent of each Secured Swap Party and each Secured Cash Management Provider adversely affected thereby; or (x) change any of the provisions of this Section 12.02(b) or the definitions of "Borrowing Base", "Majority Lenders" or "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or under any other Loan Documents or make any determination or grant any consent hereunder or any other Loan Documents, without the written consent of each Lender; provided, further, that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or the Issuing Bank hereunder or under any other Loan Document without the prior written consent of the Administrative Agent or the Issuing Bank, as the case may be. Notwithstanding the foregoing, (A) any supplement to Schedule 7.14 (Subsidiaries) shall be effective simply by delivering to the Administrative Agent a supplemental schedule clearly marked as such and, upon receipt, the Administrative Agent will promptly deliver a copy thereof to the Lenders, (B) any Security Instrument may be supplemented to add additional collateral or join additional Persons as Guarantors with the consent of the Administrative Agent, and (C) the Borrower and the Administrative Agent may amend this Agreement or any other Loan Document without the consent of the Lenders in order to correct, amend or cure any ambiguity, inconsistency or defect or correct any typographical error or other manifest error in any Loan Document. For purposes of determining compliance with the Conditions to Effective Date set forth in Section 6.01, each Lender that has executed and delivered the Loan Documents shall be deemed to have consented to, approved or accepted or to be satisfied with, each Loan Document or other document or matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

(c) Notwithstanding any other provision in this Agreement to the contrary, the Administrative Agent is authorized on the Effective Date to waive delivery of any Security Instrument and perfection of any Liens contemplated thereunder, as set forth in Section 6.01(c), Section 6.01(d) or Section 6.01(l) (but only to the extent such opinions relate to any Security Interests, mortgages or perfection), to a date not later than thirty (30) days after the Effective Date, or such later date as determined in the Administrative Agent's sole discretion.

(d) Notwithstanding any other provision of this Agreement or any other Loan Document to the contrary, this Agreement may not be amended, restated, amended and restated, supplemented, changed or otherwise modified or renewed if the effect of such change would be to (i) increase the Commitment or Maximum Credit Amount, or (ii) extend the Maturity Date, until flood insurance diligence and compliance is reasonably satisfactory to all Lenders.

Section 12.03 Expenses, Indemnity; Damage Waiver.

(a) The Borrower or the Obligors shall jointly and severally pay (i) all reasonable and documented out-of-pocket costs and expenses incurred by the Administrative Agent and its Affiliates, including, without limitation, the reasonable fees, charges and disbursements of outside counsel and other outside consultants for the Administrative Agent, the reasonable travel, photocopy, mailing, courier, telephone and other similar expenses, in connection with the syndication of the credit facilities provided for herein, the due diligence

(including third party expenses of financial and other advisors and consultants and counsel), preparation, negotiation, execution, delivery and administration amendment, modification, waiver, Enforcement Action (including without limitation the reasonable and documented legal fees of counsel to the Administrative Agent and each Lender, and, if necessary, one local counsel in each relevant jurisdiction and financial and other advisors and consultants both before and after the execution hereof and including advice of counsel to the Administrative Agent as to the rights and duties of the Administrative Agent and the Lenders with respect thereto) of this Agreement and the other Loan Documents and any amendments, modifications or waivers of or consents related to the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all costs, expenses, Taxes, assessments and other charges incurred by the Administrative Agent or any Lender in connection with any filing, registration, recording or perfection of any security interest contemplated by this Agreement or any Security Instrument or any other document referred to therein, (iii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder, (iv) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, the Issuing Bank, any Lender, any Secured Swap Party or any Secured Cash Management Provider, including, without limitation, the fees, charges and disbursements of outside counsel, financial advisors or consultants for the Administrative Agent, the Issuing Bank, any Lender, any Secured Swap Party or any Secured Cash Management Provider, in connection with any Enforcement Action or protection of its rights in connection with this Agreement or any other Loan Document, including its rights under this Section 12.03, or in connection with the Loans made or Letters of Credit issued hereunder, including, without limitation, all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) THE BORROWER AND EACH OTHER OBLIGOR JOINTLY AND SEVERALLY SHALL INDEMNIFY THE ADMINISTRATIVE AGENT, THE ISSUING BANK, EACH LENDER, EACH SECURED SWAP PROVIDER AND EACH SECURED CASH MANAGEMENT PROVIDER, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (EACH SUCH PERSON BEING CALLED AN "INDEMNITEE") AGAINST, AND DEFEND AND HOLD EACH INDEMNITEE HARMLESS FROM AND AGAINST, ANY AND ALL LOSSES, CLAIMS, DAMAGES, PENALTIES, LIABILITIES AND REASONABLE, DOCUMENTED OUT-OF-POCKET FEES AND EXPENSES (LIMITED TO REASONABLE AND DOCUMENTED LEGAL FEES OF A SINGLE FIRM OF COUNSEL FOR ALL INDEMNIFIED PARTIES, TAKEN AS A WHOLE, AND, IF NECESSARY, ONE FIRM OF LOCAL COUNSEL IN EACH APPROPRIATE JURISDICTION (WHICH MAY INCLUDE A SINGLE SPECIAL COUNSEL ACTING IN MULTIPLE JURISDICTIONS) FOR ALL INDEMNIFIED PARTIES TAKEN AS A WHOLE (AND, IN THE CASE OF AN ACTUAL OR PERCEIVED CONFLICT OF INTEREST, WHERE THE INDEMNIFIED PERSON AFFECTED BY SUCH CONFLICT INFORMS THE BORROWER OF SUCH CONFLICT AND THEREAFTER RETAINS ITS OWN COUNSEL, OF ANOTHER FIRM OF COUNSEL FOR EACH GROUP OF AFFECTED INDEMNIFIED PERSONS SIMILARLY SITUATED, TAKEN AS A WHOLE)), OF ANY SUCH INDEMNIFIED PERSON ARISING OUT OF OR RELATING TO ANY CLAIM OR ANY LITIGATION OR OTHER PROCEEDING (REGARDLESS OF WHETHER SUCH INDEMNIFIED PERSON IS A PARTY THERETO AND WHETHER OR NOT SUCH PROCEEDINGS ARE BROUGHT BY THE BORROWER OR ANY OTHER CREDIT PARTY, ITS EQUITY HOLDERS, ITS AFFILIATES, CREDITORS OR ANY OTHER THIRD PERSON), INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEE ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (i) THE EXECUTION OR DELIVERY OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR ANY AGREEMENT OR

INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OR THE PARTIES TO ANY OTHER LOAN DOCUMENT OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR BY ANY OTHER LOAN DOCUMENT, (ii) THE FAILURE OF PARENT GUARANTOR, ANY OBLIGOR OR ANY SUBSIDIARY TO COMPLY WITH THE TERMS OF ANY LOAN DOCUMENT, INCLUDING THIS AGREEMENT, OR WITH ANY GOVERNMENTAL REQUIREMENT, (iii) ANY INACCURACY OF ANY REPRESENTATION OR ANY BREACH OF ANY WARRANTY OR COVENANT OF THE PARENT, ANY OBLIGOR OR ANY SUBSIDIARY SET FORTH IN ANY OF THE LOAN DOCUMENTS OR ANY INSTRUMENTS, DOCUMENTS OR CERTIFICATIONS DELIVERED IN CONNECTION THEREWITH, (iv) ANY LOAN OR LETTER OF CREDIT OR THE USE OF THE PROCEEDS THEREFROM, INCLUDING, WITHOUT LIMITATION, (A) ANY REFUSAL BY THE ISSUING BANK TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT, OR (B) THE PAYMENT OF A DRAWING UNDER ANY LETTER OF CREDIT NOTWITHSTANDING THE NON-COMPLIANCE, NON-DELIVERY OR OTHER IMPROPER PRESENTATION OF THE DOCUMENTS PRESENTED IN CONNECTION THEREWITH, (v) ANY OTHER ASPECT OF THE LOAN DOCUMENTS, (vi) THE OPERATIONS OF THE BUSINESS OF PARENT GUARANTOR, THE BORROWER AND ITS SUBSIDIARIES BY PARENT GUARANTOR, THE BORROWER AND ITS SUBSIDIARIES, (vii) ANY ASSERTION THAT THE LENDERS WERE NOT ENTITLED TO RECEIVE THE PROCEEDS RECEIVED PURSUANT TO THE SECURITY INSTRUMENTS, (viii) ANY ENVIRONMENTAL LAW APPLICABLE TO PARENT GUARANTOR, ANY OBLIGOR OR ANY SUBSIDIARY OR ANY OF THEIR PROPERTIES OR OPERATIONS, INCLUDING, THE PRESENCE, GENERATION, STORAGE, RELEASE, THREATENED RELEASE, USE, TRANSPORT, DISPOSAL, ARRANGEMENT OF DISPOSAL OR TREATMENT OF HAZARDOUS MATERIALS ON OR AT ANY OF THEIR PROPERTIES, (ix) THE BREACH OR NON-COMPLIANCE BY PARENT GUARANTOR, ANY OBLIGOR OR ANY SUBSIDIARY WITH ANY ENVIRONMENTAL LAW APPLICABLE TO PARENT GUARANTOR, ANY OBLIGOR OR ANY SUBSIDIARY, (x) THE PAST OWNERSHIP BY PARENT GUARANTOR, ANY OBLIGOR OR ANY SUBSIDIARY OF ANY OF THEIR PROPERTIES OR PAST ACTIVITY ON ANY OF THEIR PROPERTIES WHICH, THOUGH LAWFUL AND FULLY PERMISSIBLE AT THE TIME, COULD RESULT IN PRESENT LIABILITY, (xi) THE PRESENCE, USE, RELEASE, STORAGE, TREATMENT, DISPOSAL, GENERATION, THREATENED RELEASE, TRANSPORT, ARRANGEMENT FOR TRANSPORT OR ARRANGEMENT FOR DISPOSAL OF HAZARDOUS MATERIALS ON OR AT ANY OF THE PROPERTIES OWNED OR OPERATED BY PARENT GUARANTOR, ANY OBLIGOR OR ANY SUBSIDIARY OR ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY PARENT GUARANTOR, THE BORROWER OR ANY OF ITS SUBSIDIARIES, (xii) ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO PARENT GUARANTOR, THE BORROWER OR ANY OF ITS SUBSIDIARIES, OR (xiii) ANY OTHER ENVIRONMENTAL, HEALTH OR SAFETY CONDITION IN CONNECTION WITH THE LOAN DOCUMENTS, OR (xiv) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, AND SUCH INDEMNITY SHALL EXTEND TO EACH INDEMNITEE NOTWITHSTANDING THE SOLE OR CONCURRENT NEGLIGENCE OF EVERY KIND OR CHARACTER

WHATSOEVER, WHETHER ACTIVE OR PASSIVE, WHETHER AN AFFIRMATIVE ACT OR AN OMISSION, INCLUDING WITHOUT LIMITATION, ALL TYPES OF NEGLIGENT CONDUCT IDENTIFIED IN THE RESTATEMENT (SECOND) OF TORTS OF ONE OR MORE OF THE INDEMNITEES OR BY REASON OF STRICT LIABILITY IMPOSED WITHOUT FAULT ON ANY ONE OR MORE OF THE INDEMNITEES; PROVIDED THAT SUCH INDEMNITY SHALL NOT, AS TO ANY INDEMNITEE, BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES, CLAIMS, DAMAGES, LIABILITIES OR RELATED EXPENSES ARE DETERMINED BY A COURT OF COMPETENT JURISDICTION BY FINAL AND NONAPPEALABLE JUDGMENT TO HAVE RESULTED FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNITEE. WITHOUT LIMITING THE PROVISIONS OF SECTION 5.03, THIS SECTION 12.03(B) SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM. NO INDEMNIFIED PERSON SHALL BE LIABLE FOR ANY DAMAGES ARISING FROM THE USE BY UNAUTHORIZED PERSONS OF INFORMATION OR OTHER MATERIALS SENT THROUGH ELECTRONIC, TELECOMMUNICATIONS OR OTHER INFORMATION TRANSMISSION SYSTEMS THAT ARE INTERCEPTED BY SUCH PERSONS; PROVIDED THAT SUCH INDEMNITY SHALL NOT, AS TO ANY INDEMNITEE, BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES, CLAIMS, DAMAGES, LIABILITIES OR RELATED EXPENSES ARE DETERMINED BY A COURT OF COMPETENT JURISDICTION BY FINAL AND NONAPPEALABLE JUDGMENT TO HAVE RESULTED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT BY SUCH INDEMNITEE.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent or the Issuing Bank under Section 12.03(a) or (b), each Lender severally agrees to pay to the Administrative Agent or the Issuing Bank, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or the Issuing Bank in its capacity as such.

(d) To the extent permitted by applicable law, no party hereto and no Indemnitee shall assert, and hereby waives, any claim against any other party hereto and 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 or thereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof. For the avoidance of doubt, the parties hereto acknowledge and agree that a claim for indemnity under Section 12.03(b), to the extent covered thereby, is a claim of direct or actual damages and nothing contained in the foregoing sentence shall limit the Obligors' indemnification obligations to the extent special, indirect, consequential or punitive damages are included in any third party claim in connection with which such Indemnitee is otherwise entitled to indemnification hereunder.

(e) All amounts due under this Section 12.03 shall be payable not later than ten (10) days after written demand therefor.

Section 12.04 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Bank that issues any Letter of Credit), except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void), (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 12.04 and (iii) no Lender may assign to the Borrower or any other Obligor or their respective Subsidiaries, an Affiliate of the Borrower or any other Obligor, a Defaulting Lender or an Affiliate of a Defaulting Lender all or any portion of such Lender's rights and obligations under this Agreement or all or any portion of its Commitments or the Loans owing to it hereunder. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in Section 12.04(c)) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Bank and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in Section 12.04(b)(ii), any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Borrower, provided that no consent of the Borrower shall be required if such assignment is to a Lender or an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, is to any other assignee, provided further that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within 5 Business Days after having received notice thereof;

(B) the Administrative Agent; provided that no consent of the Administrative Agent shall be required for an assignment to an assignee that is a Lender immediately prior to giving effect to such assignment or to an Affiliate or Approved Fund of any such Lender; and

(C) the Issuing Bank.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 unless each of the Borrower and the Administrative Agent otherwise consent; provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of $3,500; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(E) no assignment shall be made to a natural Person.

(iii) Subject to acceptance and recording thereof pursuant to Section 12.04(b)(iv), from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 5.01, Section 5.02, Section 5.03 and Section 12.03 and obligated by the covenants of Section 5.03(f)). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.04(b) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.04(c).

(iv) The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Maximum Credit Amount of, and principal amount (and stated interest) of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent, the Issuing Bank and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, the Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice. In connection with any changes to the Register, if necessary, the Administrative Agent will reflect the revisions on Annex I and forward a copy of such revised Annex I to the Borrower, the Issuing Bank and each Lender. The Register is intended to cause the extensions of credit to the Borrower under this Agreement to be at all times maintained in "registered form" within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code and shall be interpreted and applied in a manner consistent with such intent.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in Section 12.04(a) and any written consent to such assignment required by Section 12.04(a), the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section 12.04(b).

(c) Any Lender may, without the consent of the Borrower, the Administrative Agent or the Issuing Bank, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged; (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (C) the Borrower, the Administrative Agent and the Issuing Bank shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; 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 first proviso to Section 12.02(b) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Section 5.01, Section 5.02 and Section 5.03 (subject to the requirements and limitations therein, including the requirements under Section 5.03(f) (it being understood that the documentation required under Section 5.03(f) shall be delivered to the participating Lender) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 5.04 and Section 5.05 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Section 5.01 or Section 5.03, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 5.05 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 4.01(c) as though it were a Lender. Each Lender that sells a participation 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"); provided that no Lender shall 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, Letters of Credit 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, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including, without limitation, any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having jurisdiction over such Lender, and this Section 12.04(d) shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(e) Notwithstanding any other provisions of this Section 12.04, an assignment to Macquarie Bank Limited on or about the Effective Date shall not require the consent of the Borrower and shall not be subject to the minimum amounts set forth in Section 12.04(b)(ii)(A).

(f) Notwithstanding any other provision of the Loan Documents to the contrary, none of the Obligors or their Affiliates (other than the Permitted Holders) shall at any time be Lenders or Participants; provided, that notwithstanding any provision herein to the contrary, any Permitted Holder (or their respective Affiliates, as applicable) shall be deemed to be a Defaulting Lender, solely for purposes of any voting provisions hereunder and determinations related thereto; provided, further, the Administrative Agent shall not be required to deliver private side bank information to any Lender that is an Affiliate of the Obligors.

Section 12.05 Survival; Revival; Reinstatement.

(a) All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, the Issuing Bank or any Lender or any of their Related Parties may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Section 5.01, Section 5.02, Section 5.03 and Section 12.03 and Article XI shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement, any other Loan Document or any provision hereof or thereof.

(b) To the extent that any payments on the Obligations or proceeds of any Collateral are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, debtor in possession, receiver or other Person under any bankruptcy law, common law or equitable cause, then to such extent, the Obligations so satisfied shall be revived and continue as if such payment or proceeds had not been received and the Administrative Agent's and the Lenders' Liens, security interests, rights, powers and remedies under this Agreement and each Loan Document shall continue in full force and effect. In such event, each Loan Document shall be automatically reinstated and the Borrower shall take such action as may be reasonably requested by the Administrative Agent and the Lenders to effect such reinstatement.

Section 12.06 Counterparts; Integration; Effectiveness.

(a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.

(b) This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and thereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof and thereof. **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.**

(c) Except as provided in Section 6.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy, facsimile, as an attachment to an email or other similar electronic means shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 12.07 Severability.

Any provision of this Agreement or any other Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof or thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 12.08 Right of Setoff.

If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations (of whatsoever kind, including, without limitation obligations under Swap Agreements) at any time owing by such Lender or Affiliate to or for the credit or the account of any Obligor against any of and all the obligations of any Obligor owed to such Lender now or hereafter existing under this Agreement or any other Loan Document, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations may be unmatured. The rights of each Lender under this Section 12.08 are in addition to other rights and remedies (including other rights of setoff) which such Lender or its Affiliates may have. Without limiting the generality of the foregoing, “set off” as used herein shall include the set off and application of any amounts owed by any Lender or its Affiliates to any Obligor under any Swap Agreement against all obligations and indebtedness owed by such Obligor to such Lender under this Agreement or the other Loan Documents, whether direct or indirect, contingent or liquidated, matured or unmatured, including, without limitation, any amounts owed under any participation in amounts owed by the Borrower to such Lender purchased by such Lender (or its Affiliates) under Section 4.01(c) or any other similar provisions for the pro rata sharing of payments received from or on behalf of any Obligor among the Lenders.

Section 12.09 GOVERNING LAW; JURISDICTION; CONSENT TO SERVICE OF PROCESS.

(a) THIS AGREEMENT AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS

EXCEPT TO THE EXTENT THAT UNITED STATES FEDERAL LAW PERMITS ANY LENDER TO CONTRACT FOR, CHARGE, RECEIVE, RESERVE OR TAKE INTEREST AT THE RATE ALLOWED BY THE LAWS OF THE STATE WHERE SUCH LENDER IS LOCATED. CHAPTER 346 OF THE TEXAS FINANCE CODE (WHICH REGULATES CERTAIN REVOLVING CREDIT LOAN ACCOUNTS AND REVOLVING TRI-PARTY ACCOUNTS) SHALL NOT APPLY TO THIS AGREEMENT OR THE NOTES.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THE LOAN DOCUMENTS SHALL BE BROUGHT IN THE COURTS OF THE STATE OF TEXAS OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF TEXAS, HOUSTON DIVISION, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY HEREBY ACCEPTS FOR ITSELF AND (TO THE EXTENT PERMITTED BY LAW) IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTIONS. THIS SUBMISSION TO JURISDICTION IS NON-EXCLUSIVE AND DOES NOT PRECLUDE A PARTY FROM OBTAINING JURISDICTION OVER ANOTHER PARTY IN ANY COURT OTHERWISE HAVING JURISDICTION.

(c) EACH PARTY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO IT AT THE ADDRESS SPECIFIED IN Section 12.01 OR SUCH OTHER ADDRESS AS IS SPECIFIED PURSUANT TO Section 12.01 (OR ITS ASSIGNMENT AND ASSUMPTION), SUCH SERVICE TO BECOME EFFECTIVE THIRTY (30) DAYS AFTER SUCH MAILING. NOTHING HEREIN SHALL AFFECT THE RIGHT OF A PARTY OR ANY HOLDER OF A NOTE TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST ANOTHER PARTY IN ANY OTHER JURISDICTION.

(d) **EACH PARTY HEREBY (i) IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN; (ii) IRREVOCABLY WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY SUCH LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES; (iii) CERTIFIES THAT NO PARTY HERETO NOR ANY REPRESENTATIVE OR AGENT OF COUNSEL FOR ANY PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, OR IMPLIED THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS, AND (iv) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT, THE LOAN DOCUMENTS AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS CONTAINED IN THIS Section 12.09.**

Section 12.10 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 12.11 Confidentiality. Each of the Administrative Agent, the Issuing Bank and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Related Parties' directors, officers, employees and agents and insurers, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority (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 to this Agreement or any other Loan Document, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any Enforcement Action, (f) subject to an agreement containing provisions substantially the same as those of this Section 12.11, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any Swap Agreement relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section 12.11 or (ii) becomes available to the Administrative Agent, the Issuing Bank, any Lender or any Related Parties of the foregoing Persons on a nonconfidential basis from a source other than the Borrower. For the purposes of this Section 12.11, "Information" means all information received from or on behalf of Parent Guarantor, any Obligor or any Subsidiary relating to Parent Guarantor, any Obligor or any Subsidiary or any advisor or representative thereof and their respective businesses, other than any such information that is available to the Administrative Agent, the Issuing Bank or any Lender on a nonconfidential basis prior to disclosure by the Borrower or a Subsidiary; provided that, in the case of information received from or on behalf of Parent Guarantor, Borrower or any Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 12.11 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Section 12.12 Interest Rate Limitation. It is the intention of the parties hereto that each Lender shall conform strictly to usury laws applicable to it. Accordingly, if the transactions contemplated hereby would be usurious as to any Lender under laws applicable to it (including the laws of the United States of America and the State of Texas or any other jurisdiction whose laws may be mandatorily applicable to such Lender notwithstanding the other provisions of this Agreement), then, in that event, notwithstanding anything to the contrary in any of the Loan Documents or any agreement entered into in connection with or as security for the Notes, it is agreed as follows: (a) the aggregate of all consideration which constitutes interest under law applicable to any Lender that is contracted for, taken, reserved, charged or received by such Lender under any of the Loan Documents or agreements or otherwise in connection with the Notes shall under no circumstances exceed the maximum amount allowed by such applicable law, and any excess shall be canceled automatically and if theretofore paid shall be credited by such Lender on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by such Lender to the Borrower); and (b) in the event that the maturity of the Notes is accelerated by reason of an election of the holder thereof resulting from any Event of Default under this Agreement or

otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest under law applicable to any Lender may never include more than the maximum amount allowed by such applicable law, and excess interest, if any, provided for in this Agreement or otherwise shall be canceled automatically by such Lender as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited by such Lender on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by such Lender to the Borrower). All sums paid or agreed to be paid to any Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by law applicable to such Lender, be amortized, prorated, allocated and spread throughout the stated term of the Loans evidenced by the Notes until payment in full so that the rate or amount of interest on account of any Loans hereunder does not exceed the maximum amount allowed by such applicable law. If at any time and from time to time (i) the amount of interest payable to any Lender on any date shall be computed at the Highest Lawful Rate applicable to such Lender pursuant to this Section 12.12 and (ii) in respect of any subsequent interest computation period the amount of interest otherwise payable to such Lender would be less than the amount of interest payable to such Lender computed at the Highest Lawful Rate applicable to such Lender, then the amount of interest payable to such Lender in respect of such subsequent interest computation period shall continue to be computed at the Highest Lawful Rate applicable to such Lender until the total amount of interest payable to such Lender shall equal the total amount of interest which would have been payable to such Lender if the total amount of interest had been computed without giving effect to this Section 12.12.

Section 12.13 EXCULPATION PROVISIONS. EACH OF THE PARTIES HERETO SPECIFICALLY AGREES THAT IT HAS A DUTY TO READ THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND AGREES THAT IT IS CHARGED WITH NOTICE AND KNOWLEDGE OF THE TERMS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; THAT IT HAS IN FACT READ THIS AGREEMENT AND IS FULLY INFORMED AND HAS FULL NOTICE AND KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS AGREEMENT; THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL OF ITS CHOICE THROUGHOUT THE NEGOTIATIONS PRECEDING ITS EXECUTION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; AND HAS RECEIVED THE ADVICE OF ITS ATTORNEY IN ENTERING INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; AND THAT IT RECOGNIZES THAT CERTAIN OF THE TERMS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS RESULT IN ONE PARTY ASSUMING THE LIABILITY INHERENT IN SOME ASPECTS OF THE TRANSACTION AND RELIEVING THE OTHER PARTY OF ITS RESPONSIBILITY FOR SUCH LIABILITY. EACH PARTY HERETO AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY EXCULPATORY PROVISION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT THE PROVISION IS NOT "CONSPICUOUS."

Section 12.14 Collateral Matters; Swap Agreements; Cash Management Agreements. The benefit of the Security Instruments and of the provisions of this Agreement relating to any Collateral securing the Obligations shall also extend to and be available to Secured Swap Parties and Secured Cash Management Providers on a pro rata basis (but subject to the terms of the Loan Documents, including, provisions thereof relating to the application and priority of payments to the Persons entitled thereto and provisions with respect to the release of Collateral) in respect of Secured Swap Obligations and Secured Cash Management Obligations. Except as provided in Section 12.02(b), no Secured Swap Party or Secured Cash Management Provider shall have any voting rights under any Loan Document as a result of the existence of any Secured Swap Obligation or Secured Cash Management Obligation owed to it.

Section 12.15 No Third Party Beneficiaries. This Agreement, the other Loan Documents, and the agreement of the Lenders to make Loans and the Issuing Bank to issue, amend, renew or extend Letters of Credit hereunder are solely for the benefit of the Borrower, and no other Person (including, without limitation, any Subsidiary of the Borrower, any obligor, contractor, subcontractor, supplier or materialsman) shall have any rights, claims, remedies or privileges hereunder or under any other Loan Document against the Administrative Agent, the Issuing Bank or any Lender for any reason whatsoever. There are no third party beneficiaries, other than to the extent contemplated by the last sentence of Section 12.04(a).

Section 12.16 USA PATRIOT Act Notice. Each Lender hereby notifies the Borrower and other Obligors that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name, tax identification number and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act.

Section 12.17 Non-Fiduciary Status. The arranging and other services regarding this Agreement provided by the Administrative Agent, the Issuing Bank and the Lenders are arm's-length commercial transactions between the Borrower, and its Affiliates, on the one hand, and the Administrative Agent and the Lenders, on the other hand. The Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. The Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents. The Administrative Agent, the Issuing Bank and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and neither the Administrative Agent, the Issuing Bank nor any Lender has any obligation to the Borrower, 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. The Administrative Agent and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, and its Affiliates, and neither the Administrative Agent, the Issuing Bank nor any Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Issuing Bank or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 12.18 Flood Insurance Provisions.

(a) Notwithstanding any provision in this Agreement or any other Loan Document to the contrary, except as set forth on Annex II Schedule of Mortgaged Structures (all of which shall be Mortgaged Property and a "Mortgaged Structure", including the structures so listed on Annex II), as amended from time to time by the Administrative Agent, in no event is any Building (as defined in the applicable Flood Insurance Regulation) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Regulation) included in the definition of "Mortgaged Property" and no Building or Manufactured (Mobile) Home is hereby encumbered by this Agreement or any other Loan Document; provided, that notwithstanding any other

provision of this Agreement or any other Loan Document, if any Lender delivers to the Administrative Agent a written notice (an "Opt Out Notice"), no Mortgaged Structure included as part of any Security Instrument filed after the date of such Opt Out Notice, shall be, or be deemed to be Collateral of such Lender, and such Lender shall not be a secured party with respect to such Mortgaged Structure, and the Administrative Agent in its capacity as trustee under any Security Instrument shall not be deemed to act for such Lender as a secured party with respect to such Mortgaged Structure until such time, which shall not be a date more than 45 days after the delivery of such Opt Out Notice, as such Lender shall deliver written notice to the Administrative Agent that such Lender has completed due diligence and concluded that compliance with flood insurance and other requirements pursuant to Flood Insurance Regulations with respect to such Mortgaged Structure are satisfactory to such Lender and such Lender has elected to be a secured party with respect to such Mortgaged Structure; provided further, that upon delivery of such notice, such Lender shall automatically be included as a secured party with respect to such Mortgaged Structure. As used herein, "Flood Insurance Regulations" means (i) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (iii) the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, et seq.), as the same may be amended or recodified from time to time and (iv) the Flood Insurance Reform Act of 2004 and any regulations promulgated thereunder and (v) the Biggert-Waters Flood Reform Act of 2012 and any regulations promulgated thereunder.

(b) The Administrative Agent has adopted internal policies and procedures that address requirements placed on federally regulated Lenders under the Flood Insurance Regulations. The Administrative Agent will post on the applicable electronic platform (or otherwise distribute to each Lender in the syndicate) documents that it receives in connection with the Flood Insurance Regulations. However, the Administrative Agent reminds each Lender and participant in the facility that, pursuant to the Flood Insurance Regulations, each federally regulated Lender (whether acting as a Lender or participant in the facility) is responsible for assuring its own compliance with the flood insurance requirements.

Section 12.19 [Reserved].

Section 12.20 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, to the extent such liability is unsecured, 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.

Section 12.21 No Waiver by Course of Conduct; Cumulative Remedies. Neither the Administrative Agent nor any other Secured Party shall by any act (except by a written instrument pursuant to Section 12.02, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of the Administrative Agent or any other Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Administrative Agent or any other Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Administrative Agent or such other Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

Section 12.22 Releases.

(a) Release Upon Payment in Full. Upon the request of the Borrower, if (i) all Indebtedness secured hereby shall have been indefeasibly paid in full (other than indemnities and other contingent obligations not then due and payable and as to which no claim has been made as of the time of determination), (ii) all Letters of Credit shall have expired, terminated or other arrangements satisfactory to the Administrative Agent and the Issuing Bank shall have been made, (iii) all Secured Swap Agreements shall have been paid in full or other arrangements satisfactory to the Administrative Agent and the Secured Swap Party shall have been made, (iv) all commitments of the Lenders under the Loan documents shall have been terminated and (v) this Agreement and the other Loan Documents shall have been terminated (other than those provisions that by their terms survive termination), the Administrative Agent at the request and sole expense of Borrower shall execute and deliver or cause to be executed and delivered such instruments as may be necessary to evidence the release of the Liens granted pursuant to the Security Instruments.

(b) Partial Releases. If any of the Collateral shall be sold, transferred, conveyed or otherwise disposed of by the Borrower or any Subsidiary Guarantor in a transaction with a non-Affiliate third party permitted by the Loan Documents (other than any sale, transfer, conveyance, transfer of other disposition to the Borrower or another Guarantor), then upon written request delivered to the Administrative Agent, the Administrative Agent, at the sole expense of the Borrower and the applicable Subsidiary Guarantor, shall promptly execute and deliver to the Borrower or such Subsidiary Guarantor all releases, termination statements and/or other documents reasonably necessary or desirable to evidence the release of Liens created under the applicable Loan Documents; provided that the Borrower shall have delivered to the Administrative Agent a written request for release, termination statements and other documents identifying the Borrower or such Subsidiary Guarantor together with a certification by the Borrower stating (x) that such transaction is in compliance with this Agreement and the other Loan Documents, and (y) no Collateral other than the Collateral required to be released is being released. At the written request and sole expense of the Borrower, the Administrative Agent is authorized to release a Guarantor from its obligations under the Loan Documents (including,

without limitation, any guarantee under the Guaranty Agreement) in the event that all the capital stock or other Equity Interests of such Guarantor shall be sold, transferred, conveyed, associated or otherwise disposed of in a transaction permitted by the Loan Documents, and such Equity Interests shall be released from the Liens created under the Security Instruments, and the Administrative Agent, at the sole expense of the Borrower and the applicable Guarantor, shall promptly execute and deliver to the Borrower or such Guarantor all releases, termination statements and/or other documents reasonably necessary or desirable to evidence such release; provided that the Borrower shall have delivered to the Administrative Agent a written request for release identifying the relevant Guarantor together with a certification by the Borrower stating (x) that such transaction is in compliance with this Agreement and the other Loan Documents, and (y) no Guarantor or Collateral other than the Guarantor or Collateral required to be released is being released.

[SIGNATURES BEGIN NEXT PAGE]

The parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

BERRY PETROLEUM COMPANY, LLC

By: /s/ Steven B. Wilson
Name: Steven B. Wilson
Title: Chief Financial Officer

BERRY PETROLEUM CORPORATION

By: /s/ Steven B. Wilson
Name: Steven B. Wilson
Title: Chief Financial Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent and a Lender

By: /s/ Patrick J. Fults
Name: Patrick J. Fults
Title: Director

CANADIAN IMPERIAL BANK OF COMMERCE, NEW YORK BRANCH

By: /s/ Charles D. Mulkeen
Name: Charles D. Mulkeen
Title: Executive Director

BNP PARIBAS

By: /s/ Sriram Chandrasekaran
Name: Sriram Chandrasekaran
Title: Director

By: /s/ Vincent Trapet
Name: Vincent Trapet
Title: Director

KEYBANK NATIONAL ASSOCIATION

By: /s/ John Dravenstott
Name: John Dravenstott
Title: President

ANTHEM, INC.
By: Logen Asset Management, L.P.
Its Agent and Authorized Signatory

By: /s/ Norman Louie
Name: Norman Louie
Title: Managing Partner

LOGEN ASSET MANAGEMENT MASTER FUND LTD.
By: Logen Asset Management, L.P.
Its Agent and Authorized Signatory

By: /s/ Norman Louie
Name: Norman Louie
Title: Managing Partner

NATIONAL BANK CANADA

By: /s/ Audrey Ng
Name: Audrey Ng
Title: Associate

By: /s/ Iris Wong
Name: Iris Wong
Title: Account Manager, Special Loans

CREDIT SUISSE AG, CAYMAN ISLAND BRANCH

By: /s/ Bryan J. Matthews
Name: Bryan J. Matthews
Title: Authorized Signatory

By: /s/ Peter J. Winstanley
Name: Peter J. Winstanley
Title: Authorized Signatory

ASSOCIATED BANK, N.A.

By: /s/ Brett P. Stone
Name: Brett P. Stone
Title: Senior Vice President

SUNTRUST BANK

By: /s/ William S. Krueger
Name: William S. Krueger
Title: First Vice President

ROYAL BANK OF CANADA

By: /s/ Leslie P. Vowell
Name: Leslie P. Vowell
Title: Attorney-in-Fact

BANK OF MONTREAL

By: /s/ Emily Steckel
Name: Emily Steckel
Title: Vice President

ING CAPITAL

By: /s/ Juli Bieser
Name: Juli Bieser
Title: Managing Director

By: /s/ Charles Hall
Name: Charles Hall
Title: Managing Director

TORONTO DOMINION (NEW YORK) LLC

By: /s/ Annie Dorval
Name: Annie Dorval
Title: Authorized Signatory

PNC BANK NATIONAL ASSOCIATION

By: /s/ John Ataman
Name: John Ataman
Title: Senior Vice President

THE HUNTINGTON NATIONAL BANK

By: /s/ Stephen Hoffman
Name: Stephen Hoffman
Title: Managing Director

CITIBANK, N.A.

By: /s/ Sugam Mehta
Name: Sugam Mehta
Title: Vice President

FIFTH THIRD BANK

By: /s/ David R. Garcia
Name: David R. Garcia
Title: Vice President

BARCLAYS BANK PLC

By: /s/ Christopher Aitkin
Name: Christopher Aitkin
Title: Assistant Vice President

UBS AG, STAMFORD BRANCH

By: /s/ Houssem Daly
Name: Houssem Daly
Title: Associate Director

By: /s/ Darlene Arias
Name: Darlene Arias
Title: Director

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK

By: /s/ Kathleen Sweeney
Name: Kathleen Sweeney
Title: Managing Director

By: /s/ Pierre-Alain Bennaim
Name: Pierre-Alain Bennaim
Title: Managing Director

CITIZENS BANK, N.A.

By: /s/ David W. Stack
Name: David W. Stack
Title: Senior Vice President

SUMITOMO MITSUI BANKING CORPORATION

By: /s/ Ryo Suzuki
Name: Ryo Suzuki
Title: General Manager

JPMORGAN CHASE BANK, N.A.

By: /s/ Anson Williams
Name: Anson Williams
Title: Authorized Signatory

MORGAN STANLEY BANK, N.A.

By: /s/ Matthew T. Meyers
Name: Matthew T. Meyers
Title: Authorized Signatory

BANK OF AMERICA, N.A.

By: /s/ Margaret Sawg
Name: Margaret Sawg
Title: Vice President

CITIGROUP FINANCIAL PRODUCTS INC.

By: /s/ Brian S. Broyles
Name: Brian S. Broyles
Title: Authorized Signatory

COMERICA BANK

By: /s/ Chad Stephenson
Name: Chad Stephenson
Title: Vice President

ABN AMRO CAPITAL USA LLC

By: /s/ Darrell Holley
Name: Darrell Holley
Title: Managing Director

By: /s/ Elizabeth Johnson
Name: Elizabeth Johnson
Title: Director

DNB CAPITAL LLC

By: /s/ Byron Cooley
Name: Byron Cooley
Title: Senior Vice President

By: /s/ Elnar Gulstad
Name: Elnar Gulstad
Title: Senior Vice President

CAPITAL ONE, NATIONAL ASSOCIATION

By: /s/ Mason McGurrin
Name: Mason McGurrin
Title: Managing Director

DEUTSCHE BANK AG NEW YORK BRANCH

By: /s/ Anca Trifan
Name: Anca Trifan
Title: Managing Director

By: /s/ Peter Cucchiara
Name: Peter Cucchiara
Title: Vice President

BANK OF AMERICA, N.A.

By: /s/ Edna Aguilar Mitchell
Name: Edna Aguilar Mitchell
Title: Director

BOKF, NA dba BOK FINANCIAL

By: /s/ Sonja Borodko
Name: Sonja Borodko
Title: Vice President

BP ENERGY COMPANY

By: /s/ Timothy Yee
Name: Timothy Yee
Title: Attorney-in-Fact

GOLDMAN SACHS BANK USA

By: /s/ Josh Rosenthal
Name: Josh Rosenthal
Title: Authorized Signatory

SOCIETE GENERALE

By: /s/ Max Sonnonstine
Name: Max Sonnonstine
Title: Director

BSP BERRY PECM 2 LLC

By: /s/ Bryan Martoken
Name: Bryan Martoken
Title: CFO

BSP BERRY SEI 3 LLC

By: /s/ Bryan Martoken
Name: Bryan Martoken
Title: CFO

BSP BERRY SPECIAL SITUATIONS 4

By: /s/ Bryan Martoken
Name: Bryan Martoken
Title: CFO

BSP SPECIAL SITUATIONS MASTER

By: /s/ Bryan Martoken
Name: Bryan Martoken
Title: CFO

SEI ENERGY DEBT FUND, LP

By: /s/ Bryan Martoken
Name: Bryan Martoken
Title: CFO

PECM STRATEGIC FUNDING LP

By: /s/ Bryan Martoken
Name: Bryan Martoken
Title: CFO

NATIXIS, NEW YORK BRANCH

By: /s/ Brice De Foyer
Name: Brice De Foyer
Title: Director

By: /s/ Vikram Nath
Name: Vikram Nath
Title: Vice President

OAKTREE VOF (CAYMAN 5 CTB LTD.

By: /s/ Kaj Vazales
Name: Kaj Vazales
Title: Managing Director

By: /s/ Emily Stephens
Name: Emily Stephens
Title: Managing Director

OAKTREE VOF (CAYMAN) 6 CTB LTD.

By: /s/ Kaj Vazales
Name: Kaj Vazales
Title: Managing Director

By: /s/ Emily Stephens
Name: Emily Stephens
Title: Managing Director

OAKTREE OPPS X (CAYMAN) 1 CTB LTD.

By: /s/ Kaj Vazales
Name: Kaj Vazales
Title: Managing Director

By: /s/ Emily Stephens
Name: Emily Stephens
Title: Managing Director

OAKTREE OPPS X (CAYMAN) 2 CTB LTD.

By: /s/ Kaj Vazales
Name: Kaj Vazales
Title: Managing Director

By: /s/ Emily Stephens
Name: Emily Stephens
Title: Managing Director

GOLDMAN SACHS LENDING PARTNERS LLC

By: /s/ Ushma Dedhiya
Name: Ushma Dedhiya
Title: Authorized Signatory

ANNEX I

SCHEDULE OF MAXIMUM CREDIT AMOUNTS

Maximum Credit Amounts
as of the Effective Date

Name of Lender	Percentage Share	Maximum Credit Amount
Wells Fargo Bank, National Association	7.50%	$41,249,999.88
ABN AMRO Capital USA LLC	2.08%	$11,458,333.34
Anthem, Inc.	1.39%	$ 7,642,753.70
Associated Bank, N.A.	0.83%	$ 4,583,333.34
Bank of America, N.A.	3.41%	$18,770,288.20
Bank of Montreal	3.33%	$18,333,333.34
Barclays Bank PLC	3.33%	$18,333,333.34
BNP Paribas	2.83%	$15,583,333.33
BOKF, N.A. dba BOK Financial	1.58%	$ 8,708,333.34
BP Energy Company	0.42%	$ 2,291,666.67
BSP Berry PECM 2 LLC	0.45%	$ 2,493,333.34
BSP Berry SEI 3 LLC	0.28%	$ 1,558,333.33
BSP Berry Special Situations 4	0.68%	$ 3,740,000.00
BSP Special Situations Master	0.58%	$ 3,208,333.33
Capital One, National Association	3.33%	$18,333,333.34
Canadian Imperial Bank of Commerce, New York Branch	2.83%	$15,583,333.33
Citibank, N.A.	3.33%	$18,333,333.34
Citigroup Financial Products Inc.	1.67%	$ 9,166,666.66
Citizens Bank, N.A.	2.92%	$16,041,666.67
Comerica Bank	2.08%	$11,458,333.34
Credit Agricole Corporate and Investment Bank	3.33%	$18,333,333.34
Credit Suisse AG, Cayman Island Branch	3.33%	$18,333,333.34
Deutsche Bank AG New York Branch	2.83%	$15,583,333.33
DNB Capital LLC	3.33%	$18,333,333.34
Fifth Third Bank	2.08%	$11,458,333.34
Goldman Sachs Bank USA	0.42%	$ 2,291,666.67
Goldman Sachs Lending Partners LLC	2.83%	$15,583,333.33

Name of Lender	Percentage Share	Maximum Credit Amount
ING Capital LLC	2.08%	$ 11,458,333.34
JPMorgan Chase Bank, N.A.	3.33%	$ 18,333,333.34
KeyBank National Association	0.42%	$ 2,291,666.67
Logen Asset Management Master Fund Ltd.	0.11%	$ 628,624.76
Morgan Stanley Bank, N.A.	0.42%	$ 2,291,666.67
National Bank Canada	0.42%	$ 2,291,666.67
Natixis, New York Branch	2.08%	$ 11,458,333.34
Oaktree Opps X (Cayman) 1 CTB LT	1.30%	$ 7,162,131.96
Oaktree Opps X (Cayman) 2 CTB L	1.01%	$ 5,534,374.69
Oaktree VOF (Cayman) 5 CTB LTD	0.53%	$ 2,921,201.37
Oaktree VOF (Cayman) 6 CTB LTD	0.41%	$ 2,257,291.97
PECM Strategic Funding LP	0.17%	$ 916,666.67
PNC Bank National Association	2.83%	$ 15,583,333.33
Royal Bank of Canada	4.17%	$ 22,916,666.66
SEI Energy Debt Fund, LP	1.08%	$ 5,958,333.34
Societe Generale	3.33%	$ 18,333,333.34
Sumitomo Mitsui Banking Corporation	2.83%	$ 15,583,333.33
Suntrust Bank	2.08%	$ 11,458,333.34
The Huntington National Bank	1.25%	$ 6,875,000.00
Toronto Dominion (New York) LLC	3.75%	$ 20,625,000.00
UBS AG, Stamford Branch	3.33%	$ 18,333,333.34
TOTAL	**100%**	**$550,000,000.00**

ANNEX II

SCHEDULE OF MORTGAGED STRUCTURES

Property Identifier	Property Address	Interest	Jurisdiction	File Date	Filing Info	Mortgagor/ Owner
1 Cogen Facility 18	29063 Hwy 33, Maricopa, California 93252	Fee	Kern County, CA	Post-Close	TBD	Berry Petroleum Company
2 Cogen Facility 38	28601 Hovey Hills Road, Taft, California 93268	Fee	Kern County, CA	Post-Close	TBD	Berry Petroleum Company
3 Cogen Facility 42	25121 Sierra Highway, Newhall, California 91321	Fee	Los Angeles County, CA	Post-Close	TBD	Berry Petroleum Company
4 To-Be-Constructed Cogen Facility #1	Located on Union Pacific Owned Land, McKittrick, California 93251	Fee	Kern County, CA	Post-Close	TBD	Berry Petroleum Company
5 To-Be-Constructed Cogen Facility #2	Located on Mineral Fee Property, Derby Acres, California 93224	Fee	Kern County, CA	Post-Close	TBD	Berry Petroleum Company

ANNEX III

SCHEDULE OF PREPETITION MORTGAGES

1. (a) Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company, d/b/a Berry Oil Company in the State of Texas, to Guy Evangelista, Trustee, for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated July 15, 2008, SAVE AND EXCEPT the property released in items 1(b) and 1(e) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Harrison County, Texas	Volume 3952, Page 281	7/24/08
Limestone County, Texas	Volume 1286, Page 102	7/18/08

(b) Partial Release of Lien by Wells Fargo Bank, National Association, as Administrative Agent, to Berry Petroleum Company dated July 16, 2009 relating to East Texas Midstream conveyed to Velocity East Texas Gathering, LLC, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Harrison County, Texas	Volume 4218, Page 283	7/22/09
Limestone County, Texas	Volume 1317, Page 194	7/22/09

(c) First Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company, d/b/a Berry Oil Company in the State of Texas for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated April 1, 2010, SAVE AND EXCEPT the property released in items 1(e), 1(f), 1(j), 1(k) and 1(l) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Borden County, Texas	Volume 99, Page 495	4/29/10
Dawson County, Texas	Book 634, Page 705	4/29/10
Glasscock County, Texas	Book 145, Page 376	4/30/10
Howard County, Texas	Volume 1176, Page 48	4/29/10
Martin County, Texas	Volume 271, Page 162	4/29/10
Midland County, Texas	#2010-7976	4/29/10
Reagan County, Texas	Volume 117, Page 406	4/29/10
Upton County, Texas	Volume 832, Page 91	4/30/10

(d) Second Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company, d/b/a Berry Oil Company in the State of Texas for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated November 15, 2010, SAVE AND EXCEPT the property released in items 1(e), 1(f), 1(j), 1(k) and 1(l) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Borden County, Texas	Volume 100, Page 319	11/25/10
Dawson County, Texas	Book 645, Page 183	11/22/10
Glasscock County, Texas	Book 155, Page 271	11/23/10
Harrison County, Texas	#2010-000015015	11/22/10
Howard County, Texas	Volume 1200, Page 39	11/22/10
Limestone County, Texas	Volume 1356, Page 70	11/22/10
Martin County, Texas	Volume 287, Page 251	11/22/10
Midland County, Texas	#2010-22828	11/22/10
Reagan County, Texas	Volume 125, Page 830	11/22/10
Upton County, Texas	Book 845, Page 143	11/22/10

(e) Partial Release by Wells Fargo Bank, National Association, as Administrative Agent to Berry Petroleum Company dated April 14, 2011 (deleting buildings), filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Borden County, Texas	Volume 20, Page 624	4/19/11
Dawson County, Texas	Book 655, Page 172	4/19/11
Glasscock County, Texas	Book 164, Page 14	4/20/11
Harrison County, Texas	#2011-000004412	4/19/11
Howard County, Texas	Volume 1217, Page 794	4/19/11
Limestone County, Texas	Volume 1367, Page 344	4/19/11
Martin County, Texas	Volume 301, Page 191	4/19/11
Midland County, Texas	#2011-7559	4/19/11
Reagan County, Texas	Volume 131, Page 451	4/19/11
Upton County, Texas	Volume 851, Page 541	4/20/11

(f) Partial Release from Wells Fargo Bank, National Association, as Administrative Agent, to Berry Petroleum Company dated April 14, 2011 relating to the Assignment from Berry to CrownRock, LP and Patriot Resources Partners, LLC, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Martin County, Texas	Volume 301, Page 196	4/19/11

(g) Third Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company, d/b/a Berry Oil Company in the State of Texas for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated April 14, 2011, SAVE AND EXCEPT the property released in item 1(l) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Martin County, Texas	Volume 303, Page 95	5/10/11

(h) Fourth Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company, d/b/a Berry Oil Company in the State of Texas for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated November 21, 2013, SAVE AND EXCEPT the property released in items 1(k) and 1(l) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Ector County, Texas	#2013-00019689	12/5/13
Midland County, Texas	#2013-28564	12/4/13

(i) Omnibus Amendment to Deeds of Trust, Mortgages, Security Agreements, Fixture Filings and Financing Statements between Berry Petroleum Company and Wells Fargo Bank, National Association, as Agent, dated as of April 30, 2014, SAVE AND EXCEPT the property released in items 1(j), 1(k) and 1(l) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Borden County, Texas	Volume 105, Page 597	5/7/14
Dawson County, Texas	Book 740, Page 407	5/8/14
Glasscock County, Texas	Volume 250, Page 416	5/7/14
Harrison County, Texas	#2014-000004973	5/7/14
Howard County, Texas	Volume 1393, Page 415	5/7/14

Limestone County, Texas	#20141721	5/8/14
Martin County, Texas	Volume 409, Page 298	5/7/14
Midland County, Texas	#2014-10353	5/8/14
Reagan County, Texas	Volume 193, Page 846	5/8/14
Upton County, Texas	Volume 916, Page 133	5/7/14

(j) Partial Release of Liens by Wells Fargo Bank, National Association, as Administrative Agent, to Berry Petroleum Company, LLC dated August 14, 2014, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Borden County, Texas	Volume 21, Page 669	8/18/14
Glasscock County, Texas	Volume 259, Page 665	4/20/14

(k) Partial Release of Liens by Wells Fargo Bank, National Association, as Administrative Agent, to Berry Petroleum Company, LLC dated October 29, 2014, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Ector County, Texas	2014-00017754	11/19/14

(l) Partial Release of Liens by Wells Fargo Bank, National Association, as Administrative Agent, to Berry Petroleum Company, LLC and Linn Energy Holdings, LLC dated November 19, 2014, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Borden County, Texas	Volume 21, Page 745	11/24/14
Dawson County, Texas	Book 758, Page 1	11/24/14
Howard County, Texas	Volume 1427, Page 497	11/24/14
Martin County, Texas	Volume 432, Page 78	11/24/14
Midland County, Texas	#2014-27648	11/24/14
Upton County, Texas	Volume 929, Page 86	11/24/14

2. (a) Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated July 15, 2008, SAVE AND EXCEPT the property released in items 2(b) and 2(d) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Kern County, California	#0208113089	07/17/08
Los Angeles County, California	#20081287929	07/18/08

(b) Partial Release of Lien, Substitution of Trustee and Deed of Reconveyance dated June 16, 2009 by Wells Fargo Bank, National Association, as Administrative Agent to Berry Petroleum Company, relating to certain properties conveyed to Occidental Petroleum Company, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Kern County, California	#0209089406	6/19/09

(c) First Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated November 15, 2010, SAVE AND EXCEPT the property released in item 2(d) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Kern County, California	#0210163417	11/23/10
Los Angeles County, California	#20101693109	11/22/10

(d) Partial Release and Reconveyance by Wells Fargo Bank, National Association, as Administrative Agent to Berry Petroleum Company dated April 14, 2011 (deleting buildings), filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Kern County, California	#0211050873	4/19/11
	#0211050874 (recorded twice in error)	4/19/11
Los Angeles County, California	#20110664939	5/10/11

(e) Second Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated November 21, 2013, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Kern County, California	#0213175800	12/5/13
Los Angeles County, California	#20131722948	12/5/13

(f) UCC Financing Statement naming Berry Petroleum Company, LLC as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, related to items 2(a), 2(c) and 2(e) above, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Los Angeles, California	#20151358793	11/5/15

(g) Third Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement between Berry Petroleum Company and Wells Fargo Bank, National Association, as Administrative Agent, dated as of January 8, 2016, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Kern County, California	#0216027299	3/4/16
Los Angeles County, California	#20160117506	2/2/16

3. (a) Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company for the benefit of Wells Fargo Bank, National Association, Agent, dated July 15, 2008, SAVE AND EXCEPT the property released in item 3(c) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Duchesne County, Utah	Book M324, Page 501	07/18/08

(b) First Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated November 15, 2010, SAVE AND EXCEPT the property released in item 3(c) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Duchesne County, Utah	Book A608, Page 498	12/2/10

(c) Partial Release by Wells Fargo Bank, National Association, as Administrative Agent to Berry Petroleum Company dated April 14, 2011 (deleting buildings), filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Duchesne County, Utah	Book M363, Page 59	4/20/11

(d) Omnibus Amendment to Deeds of Trust, Mortgages, Security Agreements, Fixture Filings and Financing Statements between Berry Petroleum Company and Wells Fargo Bank, National Association, as Agent, dated as of April 30, 2014, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Duchesne County, Utah	Book M418, Page 78	5/8/14

(e) UCC Financing Statement naming Berry Petroleum Company, LLC as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, related to 3(a) above, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Duchesne County, Utah	Entry #489436	11/4/15

(f) Third Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated as of January 8, 2016, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Duchesne County, Utah	Entry #491583	2/8/16

4. (a) Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company for the benefit of Wells Fargo Bank, National Association, as Administrative Agent, dated April 1, 2010, SAVE AND EXCEPT the property released in item 4(c) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Elko County, Nevada	Document #626045	5/3/10
Eureka County, Nevada	Book 499, Page 217	4/29/10
Nye County, Nevada	Document #745021	5/4/10

(b) First Supplement and Amendment to Deed of Trust, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company for the benefit of Wells Fargo Bank, N.A., Agent, dated December 10, 2010, SAVE AND EXCEPT the property released in item 4(c) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Elko County, Nevada	#635532	12/29/10
Eureka County, Nevada	Book 511, Page 181	12/28/10
Nye County, Nevada	#758664	1/18/11

(c) Partial Release by Wells Fargo Bank, National Association, as Administrative Agent to Berry Petroleum Company dated April 14, 2011 (deleting buildings), filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Elko County, Nevada	#639064	4/19/11
Eureka County, Nevada	Book 514, Page 1	4/19/11
Nye County, Nevada	#764149	4/20/11

(d) Omnibus Amendment to Deeds of Trust, Mortgages, Security Agreements, Fixture Filings and Financing Statements between Berry Petroleum Company and Wells Fargo Bank, National Association, as Agent, dated as of April 30, 2014, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Elko County, Nevada	#686055	5/8/14
Eureka County, Nevada	#0227290	5/7/14
Nye County, Nevada	#820525	8/28/14

5. (a) Mortgage, Assignment, Security Agreement, Fixture Filing and Financing Statement from Berry Petroleum Company to Wells Fargo Bank, National Association, as Agent, dated November 15, 2010, SAVE AND EXCEPT the property released in item 5(b) below, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Garfield County, Colorado	#794937	11/29/10

(b) Partial Release by Wells Fargo Bank, National Association, as Administrative Agent to Berry Petroleum Company dated April 14, 2011 (deleting buildings), filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Garfield County, Colorado	#801581	4/19/11

(c) Omnibus Amendment to Deeds of Trust, Mortgages, Security Agreements, Fixture Filings and Financing Statements between Berry Petroleum Company and Wells Fargo Bank, National Association, as Agent, dated as of April 30, 2014, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Garfield County, Colorado	#848969	5/8/14

6. (a) Mortgage, Line of Credit Mortgage, Fixture Filing, Assignment of As-Extracted Collateral, Security Agreement and Financing Statement from Berry Petroleum Company, LLC to Wells Fargo Bank, National Association, as Agent, dated as of January 15, 2016, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Grant County, Kansas	Book 284, Page 279	2/4/16

(b) UCC Financing Statement naming Berry Petroleum Company, LLC as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, related to item 6(a) above, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Grant County, Kansas	UCC #16-02	2/4/16

7. Mortgage, Fixture Filing, Assignment of As-Extracted Collateral, Security Agreement and Financing Statement from Berry Petroleum Company, LLC to Wells Fargo Bank, National Association, as Agent, dated as of January 8, 2016, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Texas County, Oklahoma	Book 1327, Page 661	2/1/16

8. (a) UCC-1 Financing Statement naming Berry Petroleum Company as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Delaware Secretary of State	#2008 2531448	7/17/08

(b) UCC-3 Amendment naming Berry Petroleum Company as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, to delete certain collateral located in Yuma and Phillips Counties, Colorado, conveyed to Augustus Energy Partners, LLC, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Delaware Secretary of State	#2009 1028858	4/1/09

(c) UCC-3 Amendment naming Berry Petroleum Company as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, to delete certain collateral located in Harrison and Limestone Counties, Texas, conveyed to Velocity East Texas Gathering, LLC, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Delaware Secretary of State	#2009 2524822	7/22/09

(d) UCC Continuation naming Berry Petroleum Company as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Delaware Secretary of State	#2013 0366360	1/29/13

(e) UCC-3 Amendment naming Berry Petroleum Company, LLC as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, to change the name of Berry Petroleum Company to Berry Petroleum Company, LLC, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Delaware Secretary of State	#2014 0158709	1/13/14

(f) UCC-3 Amendment naming Berry Petroleum Company as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, to change the address of Berry Petroleum Company, LLC, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Delaware Secretary of State	#2015 3133666	7/20/15

(g) UCC-3 Amendment naming Berry Petroleum Company, LLC as debtor and Wells Fargo Bank, National Association, as Administrative Agent, as secured party, to reflect previous name change to Berry Petroleum Company, LLC, filed as follows:

JURISDICTION	FILING INFORMATION	FILE DATE
Delaware Secretary of State	#2016 0713493	2/5/16

EXHIBIT A
[FORM OF] NOTE

$[ ] February 28, 2017

FOR VALUE RECEIVED, Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), hereby promises to pay to [ ] (the "Lender"), at the principal office of Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent"), located at 1000 Louisiana Street, 9th Floor, Houston, Texas 77002, on the Maturity Date, the principal sum of [ ] Dollars ($[ ]) (or such lesser amount as shall equal the aggregate unpaid principal amount of the Loans made by the Lender to the Borrower under the Credit Agreement, as hereinafter defined), in lawful money of the United States of America and in immediately available funds, and to pay interest on the unpaid principal amount of each such Loan, at such office, in like money and funds, for the period commencing on the date of such Loan until such Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement.

The date, amount, Type, interest rate, Interest Period and maturity of each Loan made by the Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Lender on its books and, prior to any transfer of this Note, may be endorsed by the Lender on the schedules attached hereto or any continuation thereof or on any separate record maintained by the Lender. Failure to make any such notation or to attach a schedule shall not affect the Lender's or the Borrower's rights or obligations in respect of such Loans or affect the validity of such transfer by the Lender of this Note.

This Note is one of the Notes referred to in the Credit Agreement dated as of February 28, 2017 among the Borrower, Berry Petroleum Corporation as Parent Guarantor, each Subsidiary Guarantor from time to time party thereto, the Administrative Agent and the lenders from time to time party thereto (including the Lender), and evidences Loans made by the Lender thereunder (such Credit Agreement, as the same may be amended, supplemented or restated from time to time, the "Credit Agreement"). Capitalized terms used in this Note but not defined herein have the respective meanings assigned to them in the Credit Agreement.

This Note is issued pursuant to, and is subject to the terms and conditions set forth in, the Credit Agreement and is entitled to the benefits provided for in the Credit Agreement and the other Loan Documents. The Credit Agreement provides for the acceleration of the maturity of this Note upon the occurrence of certain events, for prepayments of Loans upon the terms and conditions specified therein and other provisions relevant to this Note.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS.

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

EXHIBIT B
[FORM OF] BORROWING REQUEST

[ ], 201[ ]

Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), pursuant to Section 2.03 of the Credit Agreement dated as of February 28, 2017 (as the same may be amended, supplemented or restated from time to time, the "Credit Agreement") among the Borrower, Berry Petroleum Corporation as Parent Guarantor, each Subsidiary Guarantor from time to time party thereto, Wells Fargo Bank, National Association as Administrative Agent, and the Lenders from time to time party thereto (unless otherwise defined herein, each capitalized term used herein is defined in the Credit Agreement), hereby requests a Borrowing as follows:

(i) The aggregate amount of the requested Borrowing is $[ ];

(ii) The date of such Borrowing is [ ], 201[ ];

(iii) The requested Borrowing is to be [an ABR Borrowing] [a Eurodollar Borrowing];

(iv) In the case of a Eurodollar Borrowing, the initial Interest Period applicable thereto is [ ];

(v) The amount of the Borrowing Base in effect on the date hereof is $[ ];

(vi) Total Revolving Credit Exposures on the date hereof (*i.e.*, outstanding principal amount of Loans and total LC Exposure) (without regard to the requested Borrowing) is $[ ];

(vii) The *pro forma* total Credit Exposures (giving effect to the requested Borrowing) is $[ ];

(viii) The location and number of the Borrower's Controlled Proceeds Account to which funds are to be disbursed is as follows:

[_____]
[_____]

(ix) The Consolidated Cash Balance is $[ ];

(x) The *pro forma* Consolidated Cash Balance (giving effect to the requested Borrowing) is $[ ]; and

(xi) The conditions set forth in Section 6.02 of the Credit Agreement have been satisfied.

The undersigned certifies that he/she is the [ ] of the Borrower, and that as such he/she is authorized to execute this certificate on behalf of the Borrower. The undersigned, not in his or her individual capacity but in his or her capacity as an officer of Borrower, further certifies, represents and warrants on behalf of the Borrower that the Borrower is entitled to receive the requested Borrowing under the terms and conditions of the Credit Agreement.

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

Exhibit B

EXHIBIT C
[FORM OF] INTEREST ELECTION REQUEST

[ ], 201[ ]

Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), pursuant to Section 2.04 of the Credit Agreement dated as of February 28, 2017 (as the same may be amended, supplemented or restated from time to time, the "Credit Agreement") among the Borrower, Berry Petroleum Corporation as Parent Guarantor, each Subsidiary Guarantor from time to time party thereto, Wells Fargo Bank, National Association as Administrative Agent, and the Lenders from time to time party thereto (unless otherwise defined herein, each capitalized term used herein is defined in the Credit Agreement), hereby makes an Interest Election Request as follows:

(i) The Borrowing to which this Interest Election Request applies, and if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information specified pursuant to (iii) [and (iv)] below shall be specified for each resulting Borrowing) is [ ][1];

(ii) The effective date of the election made pursuant to this Interest Election Request is [ ], 201[ ];[and]

(iii) The resulting Borrowing is to be [an ABR Borrowing] [a Eurodollar Borrowing][; and]

[(iv) [If the resulting Borrowing is a Eurodollar Borrowing], the Interest Period applicable to the resulting Borrowing after giving effect to such election is [ ]].

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

1 Applicable borrowing to be identified by [amount and dated when made].

EXHIBIT D
[FORM OF] COMPLIANCE CERTIFICATE

Reference is hereby made to the Credit Agreement dated as of February 28, 2017 (as the same may be amended, supplemented or restated from time to time, the "Credit Agreement") among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation as Parent Guarantor, each Subsidiary Guarantor from time to time party thereto, Wells Fargo Bank, National Association as Administrative Agent, and the Lenders from time to time party thereto. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meaning given to them in the Credit Agreement. The undersigned hereby certify on behalf of the Borrower and Parent Guarantor as follows:

(i) No Default has occurred and is continuing as of the date hereof. [*If a Default has occurred and is continuing, specify the details thereof and any action taken or proposed to be taken with respect thereto.*]

(ii) No change in GAAP or in the application thereof has occurred since the Effective Date which materially changes the calculation of any covenant or affects compliance with the terms of the Credit Agreement. [*If such a change has occurred, specify the effect of such change on the financial statements accompanying this certificate.*]

(iii) Attached hereto is all the information required by Sections 8.01(f) and 8.01(q) of the Credit Agreement and Section 4.3(b) of the Security Agreement

(iv) Attached hereto are the reasonably detailed computations demonstrating that the Obligors are in compliance with Section 9.01 of the Credit Agreement as of the end of the fiscal quarter ending [ ].

EXECUTED AND DELIVERED this [ ] day of [ ], 201[__].

Berry Petroleum Company, LLC

By: _____
Name: _____
Title: _____

Berry Petroleum Corporation

By: _____
Name: _____
Title: _____

EXHIBIT E
[FORM OF] SECURITY AGREEMENT

(see attached)

EXHIBIT F
[FORM OF] GUARANTY AGREEMENT

(see attached)

EXHIBIT G
[FORM OF] ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Assignment Effective Date set forth below and is entered into by and between **[Insert name of Assignor]** (the "Assignor") and **[Insert name of Assignee]** (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as the same may be amended, supplemented or restated from time to time, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions for Assignment and Assumption set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

The Assignor named on the reverse hereof hereby sells and assigns, without recourse, to the Assignee named on the reverse hereof, and the Assignee hereby purchases and assumes, without recourse, from the Assignor, effective as of the Assignment Effective Date set forth on the reverse hereof, the interests set forth on the reverse hereof (the "Assigned Interest") in the Assignor's rights and obligations under the Credit Agreement, including, without limitation, the interests set forth on the reverse hereof in the Loans owing to the Assignor which are outstanding on the Assignment Effective Date, together with the participations in Letters of Credit and LC Disbursements held by the Assignor on the Assignment Effective Date, but excluding accrued interest and fees to and excluding the Assignment Effective Date. From and after the Assignment Effective Date (i) the Assignee shall be a party to and be bound by the provisions of the Credit Agreement and, to the extent of the Assigned Interest, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent of the Assigned Interest, relinquish its rights and be released from its obligations under the Credit Agreement.

This Assignment and Assumption is being delivered to the Administrative Agent together with (i) any documentation required to be delivered by the Assignee pursuant to Section 5.03(e) of the Credit Agreement, duly completed and executed by the Assignee, and (ii) if the Assignee is not already a Lender under the Credit Agreement, an Administrative Questionnaire in the form supplied by the Administrative Agent, duly completed by the Assignee. The [Assignee/Assignor] shall pay the fee payable to the Administrative Agent pursuant to Section 12.04(b) of the Credit Agreement.

This Assignment and Assumption shall be governed by and construed in accordance with the laws of the State of Texas.

Credit Agreement:	Credit Agreement dated as of February 28, 2017 among Berry Petroleum Company, LLC as Borrower, Berry Petroleum Corporation as Parent Guarantor, each Subsidiary Guarantor from time to time party thereto, Wells Fargo Bank, National Association as Administrative Agent, and the Lenders from time to time party thereto, as the same may from time to time be amended, modified, supplemented or restated

Legal Name of Assignor:

Legal Name of Assignee:

Assignee's Address for Notices:

Assignment Effective Date: [_____], 201[__]

Facility	Amount Assigned	Percentage Assigned of Loan Commitments (set forth, to at least 8 decimals, as a percentage of the total Loan Commitments of all Lenders)
Commitment Assigned:	$	%
Loans Assigned:	$	%

The terms set forth above and on the reverse side hereof are hereby agreed to:

[Name of Assignor], as Assignor

By: _____
Name:
Title:

[Name of Assignee], as Assignee

By: _____
Name:
Title:

The undersigned hereby consent to the within assignment:

Berry Petroleum Company, LLC	Wells Fargo Bank, National Association, as Administrative Agent
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ANNEX 1

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION

BERRY PETROLEUM COMPANY, LLC CREDIT AGREEMENT

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of any Obligor, any Obligor's Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by any Obligor, any Obligor's Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Assignment Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 8.01 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Assignment Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Assignment Effective Date and to the Assignee for amounts which have accrued from and after the Assignment Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the laws of the State of Texas.

Exhibit G

EXHIBIT H-1
FORM OF U.S. TAX COMPLIANCE CERTIFICATE
(For Non-U.S. Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of February 28, 2017 (as amended, restated, amended and restated, renewed, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation as Parent Guarantor, each Subsidiary Guarantor from time to time party thereto, Wells Fargo Bank, National Association as administrative agent (the "Administrative Agent"), and the Lenders from time to time party thereto. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.03(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Commitment, the Loan(s) (as well as any Note(s) evidencing such Loan(s)), and the Letters of Credit in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "10-percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (iv) it is not a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code and (v) the interest payments in question are not effectively connected with the undersigned's conduct of a U.S. trade or business.

The undersigned has furnished, or concurrently herewith furnishes, the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN or Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate or in such Form W-8BEN or Form W-8BEN-E changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment under the Credit Agreement or any other Loan Document is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF LENDER]

By: _____
Name:
Title:
Date: _____, 201__

EXHIBIT H-2
FORM OF U.S. TAX COMPLIANCE CERTIFICATE
(For Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of February 28, 2017 (as amended, restated, amended and restated, renewed, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation as Parent Guarantor, each Subsidiary Guarantor from time to time party thereto, Wells Fargo Bank, National Association as administrative agent (the "Administrative Agent"), and the Lenders from time to time party thereto. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.03(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Commitment, the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), and the Letters of Credit (iii) with respect to the extension of credit pursuant to the Credit Agreement, neither the undersigned nor any of its direct or indirect partners/members is a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a "10-percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (v) none of its direct or indirect partners/members is a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code, and (vi) the interest payments in question are not effectively connected with the undersigned's or its direct or indirect partner/members' conduct of a U.S. trade or business.

The undersigned has furnished, or concurrently herewith furnishes, the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its direct or indirect partners/members that is claiming the portfolio interest exception: (i) an IRS Form W-8BEN or Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or Form W-8BEN-E from each of such direct or indirect partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate or in such Form W-8IMY, Form W-8BEN or Form W-8BEN-E changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment under the Credit Agreement or any other Loan Document is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 201__

EXHIBIT H-3
FORM OF U.S. TAX COMPLIANCE CERTIFICATE
(For Non-U.S. Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of February 28, 2017 (as amended, restated, amended and restated, renewed, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation as Parent Guarantor, each Subsidiary Guarantor from time to time party thereto, Wells Fargo Bank, National Association as administrative agent (the "Administrative Agent"), and the Lenders from time to time party thereto. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.03(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "10-percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (iv) it is not a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code, and (v) the interest payments in question are not effectively connected with the undersigned's conduct of a U.S. trade or business.

The undersigned has furnished, or concurrently herewith furnishes, the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN or Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate or in such Form W-8BEN or Form W-8BEN-E changes, the undersigned shall promptly so inform such Lender in writing and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment under the Credit Agreement or any other Loan Documents is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 201__

EXHIBIT H-4
FORM OF U.S. TAX COMPLIANCE CERTIFICATE
(For Non-U.S. Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of February 28, 2017 (as amended, restated, amended and restated, renewed, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation as Parent Guarantor, each Subsidiary Guarantor from time to time party thereto, Wells Fargo Bank, National Association as administrative agent (the "Administrative Agent"), and the Lenders from time to time party thereto. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

Pursuant to the provisions of Section 5.03(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect to such participation, neither the undersigned nor any of its direct or indirect partners/members is a "bank" within the meaning of Section 881 (c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a "10-percent shareholder" of the Borrower within the meaning of Section 871(h) (3)(B) of the Code, (v) none of its direct or indirect partners/members that is a beneficial owner of such participation is a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code, and (vi) the interest payments in question are not effectively connected with the undersigned's or its director or indirect partners/members' conduct of a U.S. trade or business.

The undersigned has furnished, or concurrently herewith furnishes, the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its direct or indirect partners/members that is claiming the portfolio interest exception: (i) an IRS Form W-8BEN or Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or Form W-8BEN-E from each of such direct or indirect partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate or in such Form W-8IMY, such Form W-8BEN or Form W-8BEN-E changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment under the Credit Agreement or any other Loan Documents is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 201__

EXHIBIT I
[FORM OF] SOLVENCY CERTIFICATE

Reference is hereby made to the Credit Agreement dated as of February 28, 2017 (as amended, restated, amended and restated, renewed, supplemented or otherwise modified from time to time, the "Credit Agreement") among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation as Parent Guarantor (collectively with the Borrower the "Obligors" and each individually an "Obligor") Wells Fargo Bank, National Association as administrative agent (the "Administrative Agent"), and the Lenders from time to time party thereto. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement. The undersigned hereby certifies as of February 28, 2017, in the undersigned's capacity as an officer, and not in the undersigned's personal capacity, of each of the Obligors:

(a) the undersigned is familiar with the properties, business and assets of the Borrower and each Obligor and has carefully reviewed the contents of this Certificate and, in connection herewith, has made such investigations and inquiries as the undersigned deemed necessary and prudent under the circumstances;

(b) the undersigned believes that the financial information and assumptions which underlie and form the basis for the certifications made in this Certificate were reasonable when made and continue to be reasonable as of the date hereof; and

(c) immediately prior to and after giving effect to the consummation of the Transactions to occur on the date hereof, (i) the Borrower and (ii) the Borrower and each Obligor, taken as a whole, in each case (A) owns assets the fair valuation of which exceeds the aggregate Debt of such Person (or Persons); (B) has not incurred, and does not intend to incur, and does not believe that they will incur or have incurred Debt beyond their ability to pay such Debt (after taking into account the timing and amounts of cash to be received by such Person (or Persons) and the timing and amounts to be payable on or in respect of such Person's (or Persons') liabilities) as such Debt becomes absolute an matures; and (C) does not have (and does not have reason to believe such Person (or Persons) will have at any time) unreasonably small capital for the conduct of its (or their) business.

(Signature page follows.)

IN WITNESS WHEREOF, the undersigned have executed this certificate on behalf of the Borrower and each Obligor as of the date first written above.

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

BERRY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

Exhibit I

Schedule 6.04

Post-Closing Obligations

1. No later than thirty (30) days after the Effective Date, the Obligors shall deliver to the Administrative Agent in recordable form counterparts of mortgages, deeds of trust, security agreements, assignments of production, fixture filings and financing statements (the "Mortgages") in form and substance satisfactory to the Administrative Agent, duly executed and delivered by the applicable Obligors in a sufficient number of counterparts for the due recording in each applicable recording office (including each office specified in any opinions described in Section 6.01(l)), granting to the Administrative Agent (or a trustee appointed by the Administrative Agent) for the benefit of the Secured Parties first and prior Liens on the Obligors' Oil and Gas Properties, and all of the Equipment and Facilities associated therewith, representing substantially all, but in no event less than ninety-five percent (95%), of each of the (a) total Proved Reserves, and (b) total Proved Reserves classified as "proved developed producing" of the Obligors (subject only to Liens permitted under Section 9.03) together with evidence of the completion of all recordings and filings of such Mortgages as may be necessary or, in the reasonable opinion of the Administrative Agent, desirable to create a valid, perfected first priority Lien against the Properties purported to be covered thereby (subject only to Liens permitted under Section 9.03) (it being understood that title reports, title opinions and other title information shall be required for no less than eight-five percent (85%) of such Oil and Gas Properties described in clauses (a) and (b) immediately above in accordance with Section 8.13); and all other Security Instruments, documents, instruments or agreements and or acknowledgements of the filings, or recordation necessary to perfect its Liens in such Properties. In connection with the execution and delivery of the Mortgages and any such other Security Instruments, the Administrative Agent (i) shall have received evidence and be satisfied that the flood insurance required for each Property set forth in Annex II to the extent required hereunder is in effect and (ii) shall have received an opinion of local counsel in each jurisdiction where a Mortgage is to be filed, in each case, in form and substance satisfactory to the Administrative Agent and its counsel.

2. No later than thirty (30) days after the Effective Date, the Obligors shall deliver to the Administrative Agent duly executed counterparts (in such number as may be requested by the Administrative Agent) of Account Control Agreements with respect to each deposit and securities account maintained by any Obligor (other than Excluded Accounts). In connection with the execution and delivery of such Account Control Agreements, the Administrative Agent shall be reasonably satisfied that there has been created in favor of the Administrative Agent a first priority, perfected security interest in and Lien on (subject only to Excepted Liens) each such deposit or securities account.

3. With respect to each invoice delivered by or on behalf of any Prepetition Lender or professional or advisor to the Borrower on or prior to the Effective Date for fees and expenses payable pursuant to the Prepetition Credit Agreement, the Borrower shall pay such fees and expenses to the applicable Prepetition Lender or professional or advisor on or prior to the date that is the later of: (a) fifteen (15) Business Days after the Effective Date and (b) three (3) Business Days after the Borrower receives a copy of the W-9 of the applicable Prepetition Lender or professional or advisor, as required.

4. No later than five (5) Business Days after the Effective Date, the Borrower will cause Norton Rose Fulbright US LLP to deliver an opinion in form and substance satisfactory to the Administrative Agent and its counsel with respect to the perfection by possession of the security interest in the Pledged Shares (as defined in the Pledge Agreement) of the Borrower pledged by the Parent Guarantor.

Schedule 7.05

Litigation

None

Schedule 7.06

Environmental Matters

None

Schedule 7.14

Subsidiaries and Partnerships

The Borrower is a Subsidiary of the Parent Guarantor.

Schedule 7.18

Gas Imbalances; Take or Pay; Other Prepayments

None.

Schedule 7.19

Marketing Agreements

Agreement for the Sale and Purchase of Helium Gas Mixture between Praxair, Inc. and Berry Petroleum Company, LLC, dated January 27, 2017

Schedule 7.20

Swap Agreements

See attached list

Schedule 7.22

Deposit Accounts and Securities Accounts

Bank Name	Legal Name	Account #	Type of Account
Comerica Bank	Berry Petroleum Company, LLC	XXXX9319	Checking
Wells Fargo	Berry Petroleum Company, LLC	XXXX5481	Checking

Excluded Accounts

Bank Name	Legal Name	Account #	Type of Account
Wells Fargo	Berry Petroleum Company, LLC	XXXX6992	Money Market Account Securing Prepetition Credit Agreement[1]
Comerica	Berry Petroleum Company, LLC	XXXX5411	Investment Account Required under Chapter 11 Cash Collateral Order[2]
Comerica	Berry Petroleum Company, LLC	XXXX3406	Utility Adequate Assurance[3]
Wilmington Trust	Wilmington Trust, N.A.	XXXX2000	Professional Fee Escrow Account
Wells Fargo	Bennett Boyd Trust (Victory Trust)	XXXX1275	Trust Account
Wells Fargo	Berry Petroleum Company, LLC	XXXX6855	Money Market Account in Favor of Utility Provider
Wells Fargo	Berry Petroleum Company, LLC	XXXX9200	Trust Account
Amegy Bank	Berry Petroleum Company, LLC	XXXX8060	General Unsecured Claim Account

1 This account intended to be closed after emergence from Chapter 11.
2 This account intended to be closed after emergence from Chapter 11.
3 This account intended to be closed after emergence from Chapter 11.

Schedule 7.24

International Operations

None.

Schedule 8.19

Initial Swap Agreements

[To come within 90 days after the Effective Date.]

Schedule 9.02

Other Permitted Debt

1. Subordinated Promissory Note, dated February 28, 2017, with a maturity date of February 28, 2023, for $335,000,000 owed by Berry Petroleum Company, LLC, a Delaware limited liability company, to Berry Petroleum Corporation, a Delaware Corporation, and its successors or assigns

Schedule 9.05

Other Permitted Investments

I. Tax Partnerships

a. Berry Encana NPR Partnership (Linn Energy Holdings, LLC owns various percentage)

b. Lake Canyon Transportation and Gathering LLC (Berry owns 37.5%)

II. Ordinary Course Operations Joint Venture

1. Colorado –Contract ##C038565000 – Piceance Water Distribution and Infrastructure Agreement with Marathon—Berry Petroleum Company, LLC is the participating entity.
2. Utah – Contract C038826000 – Lake Canyon Exploration and Development Agreement – Berry Petroleum Company, LLC is the participating entity.
3. Utah – Contract C038831000 – Lake Canyon Joint Development Agreement – Berry Petroleum Company, LLC is the participating entity.
4. Utah – Contract C038837000 – Lake Canyon Gas Gathering and Transportation Agreement – Berry Petroleum Company, LLC is the participating entity.

III. Promissory Notes

1. Subordinated Promissory Note, dated February 28, 2017, with a maturity date of February 28, 2023, for $335,000,000 owed by Berry Petroleum Company, LLC, a Delaware limited liability company, to Berry Petroleum Corporation, a Delaware Corporation, and its successors or assigns

Exhibit 10.14

Execution Version

GUARANTY AGREEMENT

FOR VALUE RECEIVED, the sufficiency of which is hereby acknowledged, and in consideration of the credit and other financial accommodations to be extended to Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower") pursuant to the Credit Agreement (as defined below), each of the Borrower and Berry Petroleum Corporation, a Delaware corporation ("Parent Guarantor" and together with the Borrower and each Person who becomes a party to this Guaranty by execution of a supplement in the form of Exhibit A hereto, collectively the "Guarantors" and each individually a "Guarantor") hereby furnishes this guaranty (this "Guaranty"), dated as of February 28, 2017, of the Guaranteed Obligations (as defined below) for the benefit of the Guaranteed Parties (as defined below) as follows:

1. Definitions. Capitalized terms used herein which are not otherwise defined herein are used with the meanings ascribed to such terms in the Credit Agreement (as defined below). For purposes of this Guaranty, the following terms shall have the following meanings:

"Administrative Agent" means Wells Fargo Bank, National Association, as administrative agent for the Lenders, or any successor administrative agent pursuant to the terms of the Credit Agreement.

"Claims" means all claims, liabilities, obligations, losses, damages, penalties, judgments, proceedings, interest, costs and expenses of any kind (including remedial response costs, reasonable and customary attorneys' fees and Extraordinary Expenses) at any time (including after full payment of the Guaranteed Obligations or replacement of any Guaranteed Party) incurred by any Indemnitee or asserted against any Indemnitee by the Borrower, any Guarantor or any other Person, in any way relating to (a) any Loans, any Loan Documents, or the use thereof or transactions relating thereto, (b) any action taken or omitted in connection with any Loan Documents, (c) the existence or perfection of any Liens, or realization upon any Collateral, (d) exercise of any rights or remedies under any Loan Documents or applicable law, or (e) failure by the Borrower or any Guarantor to perform or observe any terms of any Loan Document, in each case including all costs and expenses relating to any investigation, litigation, arbitration or other proceeding (including an Insolvency Proceeding or appellate proceedings), whether or not the applicable Indemnitee is a party thereto.

"Credit Agreement" means that certain Credit Agreement dated as of the date hereof by and among the Borrower, the other parties from time to time signatory thereto as Obligors (including the Guarantors), the financial institutions from time to time party thereto as lenders (the "Lenders") and Administrative Agent, as the same may from time to time be amended, supplemented, modified or amended and restated.

"Guaranteed Obligations" has the meaning given to that term in Section 2.

"Guaranteed Parties" means the "Secured Parties", as defined in the Credit Agreement.

"Guarantor Claims" means all debts and obligations of the Borrower or any other Guarantor to any Guarantor, including but not limited to any obligation of the Borrower or any other Guarantor to such Guarantor as subrogee of the Guaranteed Parties or resulting from such Guarantor's performance under this Guaranty, whether such debts and obligations now exist or are hereafter incurred or arise, or whether the obligation of the debtor thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or obligations be evidenced by note, contract, open account, or otherwise, and irrespective of the Person or Persons in whose favor such debts or obligations may, at their inception, have been, or may hereafter be created, or the manner in which they have been or may hereafter be acquired by such Guarantor.

"Guaranty Termination Date" means such date on which each of the following events shall have occurred on or prior to such date: (a) all Commitments have terminated or expired; (b) the Credit Agreement has terminated; (c) all Guaranteed Obligations (other than obligations under any Secured Swap Agreement and other than indemnities and other contingent obligations not then due and payable and as to which no claim has been made as of the time of determination) have been indefeasibly paid in full in cash; (d) all Secured Swap Agreements have been terminated and paid in full, novated or the Borrower or applicable Guarantor has provided substitute collateral to the Secured Swap Party thereunder to the extent provided under the applicable Secured Swap Agreement (or as to which other arrangements satisfactory to the applicable Secured Swap Party shall have been made); and (e) all Letters of Credit have expired or terminated or the LC Exposure has been cash collateralized (or as to which other arrangements satisfactory to the applicable Debtor and the Issuing Bank shall have been made), as provided for in the Credit Agreement.

"Qualified ECP Guarantor" means, in respect of any Swap Obligation, each Guarantor that has total assets exceeding $10,000,000 at the time the relevant guaranty 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.

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

2. Guaranty. Each Guarantor hereby jointly and severally, absolutely and unconditionally guarantees, as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all existing and future indebtedness and liabilities of every kind, nature and character, direct or indirect, absolute or contingent, liquidated or unliquidated, voluntary or involuntary and whether for principal, interest, premiums, fees, indemnities, damages, costs, expenses or otherwise, of: (a)

the Borrower or any other Guarantor to the Guaranteed Parties arising under the Loan Documents; and (b) the Borrower or any other Guarantor to any Secured Swap Party under any Secured Swap Agreement (other than Excluded Swap Obligations of any Obligor that is not a Qualified ECP Guarantor); in each case including all renewals, extensions, amendments and other modifications thereof and all costs, attorneys' fees and expenses incurred by any Guaranteed Party in connection with the collection or enforcement thereof, and whether recovery upon such indebtedness and liabilities may be or hereafter become unenforceable or shall be an allowed or disallowed claim under any proceeding or case commenced by or against any Guarantor or the Borrower under the Bankruptcy Code (Title 11, United States Code), any successor statute or any 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 (collectively, "Debtor Relief Laws"), and including interest that accrues after the commencement by or against the Borrower of any proceeding under any Debtor Relief Laws (collectively, the "Guaranteed Obligations"). The books and records of the Guaranteed Parties showing the amount of the Guaranteed Obligations shall be admissible in evidence in any action or proceeding, and shall be binding upon each Guarantor and conclusive for the purpose of establishing the amount of the Guaranteed Obligations absent manifest error. This Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Guaranteed Obligations or any instrument or agreement evidencing any Guaranteed Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance (other than payment in full) relating to the Guaranteed Obligations which might otherwise constitute a defense to the obligations of any Guarantor under this Guaranty, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing other than a defense of payment in full. Anything contained herein to the contrary notwithstanding, the obligations of any Guarantor hereunder at any time shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of the Bankruptcy Code (Title 11, United States Code) or any comparable provisions of any similar federal or state law.

3. [Reserved].

4. Rights of Guaranteed Parties. Each Guarantor consents and agrees that the Guaranteed Parties may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Guaranteed Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security for the payment of this Guaranty or any Guaranteed Obligations; (c) apply such security and direct the order or manner of sale thereof as the Guaranteed Parties in their sole discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Guaranteed Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of such Guarantor under this Guaranty or which, but for this provision, might operate as a discharge of such Guarantor.

5. Certain Waivers. To the fullest extent permitted by applicable law, each Guarantor waives (a) any defense (other than the defense of payment in full of the Guaranteed Obligations) arising by reason of any disability or other defense of the Borrower or any other Guarantor, or the cessation from any cause whatsoever (including any act or omission of any Guaranteed Party) of the liability of the Borrower or any other Guarantor; (b) any defense based on any claim that such Guarantor's obligations exceed or are more burdensome than those of the Borrower or any other Guarantor; (c) the benefit of any statute of limitations affecting such Guarantor's liability hereunder; (d) any right to require the Guaranteed Parties to proceed against the Borrower or any other Guarantor, proceed against or exhaust any security for the Guaranteed Obligations, or pursue any other remedy in any Guaranteed Party's power whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by the Guaranteed Parties; and (f) any and all other defenses or benefits that may be derived from or afforded by applicable law limiting the liability of or exonerating guarantors or sureties. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Guaranteed Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Guaranteed Obligations.

6. Obligations Independent. The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Guaranteed Obligations and the obligations of any other guarantor, and a separate action may be brought against any Guarantor to enforce this Guaranty whether or not the Borrower or any other Person or entity is joined as a party.

7. Subrogation. No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Guaranty unless and until the Guaranty Termination Date has occurred. If any amounts are paid to any Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Guaranteed Parties and shall forthwith be paid to the Administrative Agent to reduce the amount of the Guaranteed Obligations, whether matured or unmatured.

8. Termination; Reinstatement. This Guaranty is a continuing and irrevocable guaranty of all Guaranteed Obligations now or hereafter existing and shall remain in full force and effect until the Guaranty Termination Date. This Guaranty shall automatically terminate without any further action by any of the parties hereto upon the occurrence of the Guaranty Termination Date. Notwithstanding the foregoing, this Guaranty shall continue in full force and effect or be revived or reinstated, as the case may be, if any payment by or on behalf of the Borrower or any Guarantor is made, or any Guaranteed Party exercises its right of setoff, in respect of the Guaranteed Obligations 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 Guaranteed Parties in their discretion) to be repaid to a trustee, receiver or any other party, for any reason including in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Guaranteed Parties are in possession of or have released this Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Guarantor under the immediately preceding sentence shall survive termination of this Guaranty.

9. Subordination. Each Guarantor hereby subordinates the payment of all Guarantor Claims owing to such Guarantor to the payment in full in cash of all Guaranteed Obligations (other than contingent indemnification and cost reimbursement obligations for which no claim has been asserted). If the Guaranteed Parties so request after the occurrence and during the continuance of an Event of Default, any such obligation or indebtedness of the Borrower to such Guarantor shall be enforced and performance received by such Guarantor as trustee for the Guaranteed Parties and the proceeds thereof shall be paid over to the Guaranteed Parties on account of the Guaranteed Obligations, but without reducing or affecting in any manner the liability of such Guarantor under this Guaranty. After and during the continuation of an Event of Default, no Guarantor shall receive or collect, directly or indirectly, from the Borrower or any other Guarantor in respect thereof any amount upon the Guarantor Claims. In the event of Insolvency Proceedings involving the Borrower or any Guarantor, the Administrative Agent on behalf of the Administrative Agent and the other Guaranteed Parties shall have the right to prove their claim in any proceeding, so as to establish their rights hereunder and receive directly from the receiver, trustee or other court custodian, dividends or distributions which would otherwise be payable upon Guarantor Claims. In the event of such proceeding, each Guarantor hereby assigns such dividends or distributions to the Administrative Agent for the benefit of the Guaranteed Parties for application against the Obligations as provided under Section 10.02(c) of the Credit Agreement. Should the Administrative Agent or any other Guaranteed Party receive, for application upon the Guaranteed Obligations, any such dividends or distributions which is otherwise payable to any Guarantor, and which, as between such Guarantor and the Borrower or any other Guarantor, shall constitute a credit upon the Guarantor Claims, then upon the occurrence of the Guaranty Termination Date, the intended recipient shall become subrogated to the rights of the Administrative Agent and the other Guaranteed Parties to the extent that such dividends or distributions to the Administrative Agent and the other Guaranteed Parties on the Guarantor Claims have contributed toward the liquidation of the Guaranteed Obligations, and such subrogation shall be with respect to that proportion of the Guaranteed Obligations which would have been unpaid if the Administrative Agent and the other Guaranteed Parties had not received such dividends or distributions upon the Guarantor Claims. In the event that, notwithstanding this Section 9, any Guarantor should receive any funds, distributions, dividends or claims which are prohibited by this Section 9, then it agrees: (a) to hold in trust for the Administrative Agent and the other Guaranteed Parties an amount equal to the amount of all funds, payments, claims, dividends or distributions so received, and (b) that it shall have absolutely no dominion over the amount of such funds, payments, claims, dividends, or distributions except to pay them promptly to the Administrative Agent, for the benefit of the Guaranteed Parties; and each Guarantor covenants promptly to pay the same to the Administrative Agent. Each Guarantor agrees that until the Guaranty Termination Date, any Liens securing payment of the Guarantor Claims shall be and remain inferior and subordinate to any Liens securing payment of the Guaranteed Obligations, regardless of whether such encumbrances in favor of such Guarantor, the Administrative Agent or any other Guaranteed Party presently exist or are hereafter created or attach. Without the prior written consent of the Administrative Agent, no Guarantor, during the period in which any of the Guaranteed Obligations is outstanding or the Commitments are in effect, shall (x) exercise or enforce any creditor’s right it may have against any debtor in respect of the Guarantor Claims, or (y)

foreclose, repossess, sequester or otherwise take steps or institute any action or proceeding (judicial or otherwise, including without limitation the commencement of or joinder in any liquidation, bankruptcy, rearrangement, debtor's relief or Insolvency Proceeding) to enforce any Lien securing payment of the Guarantor Claims held by it. All promissory notes and all accounts receivable ledgers or other evidence of the Guarantor Claims accepted by or held by any Guarantor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under the terms of this Guaranty.

10. Stay of Acceleration. In the event that acceleration of the time for payment of any of the Guaranteed Obligations is stayed, in connection with any case commenced by or against any Guarantor or the Borrower under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by each Guarantor immediately upon demand by the Guaranteed Parties.

11. Expenses. Each Guarantor shall pay promptly on demand all reasonable and documented out-of-pocket legal, accounting, appraisal, consulting, and other reasonable and documented out-of-pocket fees, costs and expenses and all Extraordinary Expenses incurred by the Guaranteed Parties in any way relating to the enforcement or protection of the Guaranteed Parties' rights under this Guaranty or in respect of the Guaranteed Obligations, including any incurred during any "workout" or restructuring in respect of the Guaranteed Obligations and any incurred in the preservation, protection or enforcement of any rights of the Guaranteed Parties in any proceeding under any Debtor Relief Laws in each case, to the extent provided in Section 12.03 of the Credit Agreement. The obligations of each Guarantor under this paragraph shall survive the Guaranty Termination Date.

12. Limitation on Obligations. The provisions of this Guaranty are severable, and in any action or proceeding involving any state corporate law, or any state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Guarantor under this Guaranty would otherwise be held or determined to be avoidable, invalid or unenforceable on account of the amount of such Guarantor's liability under this Guaranty, then, notwithstanding any other provision of this Guaranty to the contrary, the amount of such liability shall, without any further action by the Guarantors or any Guaranteed Party, be automatically limited and reduced to the highest amount that is valid and enforceable as determined in such action or proceeding (such highest amount determined hereunder being the relevant Guarantor's "Maximum Liability"). This Section 12 with respect to the Maximum Liability of the Guarantors is intended solely to preserve the rights of the Guaranteed Parties hereunder to the maximum extent not subject to avoidance under applicable law, and neither the Guarantor nor any other person or entity shall have any right or claim under this Section 12 with respect to the Maximum Liability, except to the extent necessary so that the obligations of the Guarantor hereunder shall not be rendered voidable under applicable law.

Each of the Guarantors agrees that the Guaranteed Obligations may at any time and from time to time exceed the Maximum Liability of each Guarantor, and may exceed the aggregate Maximum Liability of all other Guarantors, without impairing this Guaranty or affecting the rights and remedies of the Guaranteed Parties hereunder. Nothing in this Section 12 shall be construed to increase any Guarantor's obligations hereunder beyond its Maximum Liability. In the event any Guarantor (a "Paying Guarantor") shall make any payment or payments under this Guaranty, each other Guarantor (each a "Non-Paying Guarantor") shall contribute to such Paying

Guarantor an amount equal to such Non-Paying Guarantor's "Pro Rata Share" of such payment or payments made, or losses suffered, by such Paying Guarantor. For the purposes hereof, each Non-Paying Guarantor's "Pro Rata Share" with respect to any such payment or loss by a Paying Guarantor shall be determined as of the date on which such payment or loss was made by reference to the ratio of (i) such Non-Paying Guarantor's Maximum Liability as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder) or, if such Non-Paying Guarantor's Maximum Liability has not been determined, the aggregate amount of all monies received by such Non-Paying Guarantor from the Borrower after the date hereof (whether by loan, capital infusion or by other means) to (ii) the aggregate Maximum Liability of all Guarantors hereunder (including such Paying Guarantor) as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder), or to the extent that a Maximum Liability has not been determined for any Guarantors, the aggregate amount of all monies received by all Guarantors from the Borrower after the date hereof (whether by loan, capital infusion or by other means). Nothing in this Section 12 shall affect any Guarantor's several liability for the entire amount of the Guaranteed Obligations (up to such Guarantor's Maximum Liability). Each of the Guarantors covenants and agrees that its right to receive any contribution under this Guaranty from a Non-Paying Guarantor shall be subordinate and junior in right of payment to all the Guaranteed Obligations. The provisions of this Section 12 are for the benefit of both the Guaranteed Parties and the Guarantors and may be enforced by any one, or more, or all of them in accordance with the terms hereof.

13. Miscellaneous. No provision of this Guaranty may be waived, amended, supplemented or modified, except by a written instrument executed by the Persons required by Section 12.02 of the Credit Agreement. No failure by any Guaranteed Party to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy or power hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies herein provided are cumulative and not exclusive of any remedies provided by law or in equity. The unenforceability or invalidity of any provision of this Guaranty shall not affect the enforceability or validity of any other provision herein. Unless otherwise agreed by the Guaranteed Parties and each Guarantor in writing, this Guaranty is not intended to supersede or otherwise affect any other guaranty now or hereafter given by any Guarantor for the benefit of the Guaranteed Parties or any term or provision thereof.

14. Condition of Guarantors. Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Borrower and any other Guarantor such information concerning the financial condition, business and operations of the Borrower and any such other Guarantor as such Guarantor requires, and that the Guaranteed Parties have no duty, and such Guarantor is not relying on the Guaranteed Parties at any time, to disclose to such Guarantor any information relating to the business, operations or financial condition of the Borrower or any other Guarantor (each Guarantor waiving any duty on the part of the Guaranteed Parties to disclose such information and any defense relating to the failure to provide the same).

15. Setoff. If an Event of Default shall have occurred and be continuing, each Guaranteed Party and each of such Guaranteed Party's Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to setoff and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations (of whatsoever kind, including, without limitation, obligations under Secured Swap Agreements) at any time owing by such Guaranteed Party or such Affiliate to or for the credit or the account of the Borrower or any Guarantor against any of and all the obligations of the Borrower and any Guarantor owed to such Guaranteed Party now or hereafter existing under this Agreement, any other Loan Document, irrespective of whether or not such Guaranteed Party shall have made any demand under this Agreement, any other Loan Document and although such obligations may be unmatured. Each Lender or its Affiliates agrees to promptly notify the Borrower and the Administrative Agent after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application. The rights of each Guaranteed Party thereof under this Section 15 are in addition to other rights and remedies (including other rights of setoff) which such Guaranteed Party or such Affiliate may have.

16. Representations and Warranties. Each Guarantor represents and warrants that (a) it is duly organized and in good standing under the laws of the jurisdiction of its organization and has full capacity and right to make and perform this Guaranty, and all necessary authority has been obtained, except where failure to have such capacity, right and authority could not reasonably be expected to have a Material Adverse Effect; (b) this Guaranty constitutes its legal, valid and binding obligation enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law; (c) the making and performance of this Guaranty does not and will not violate the provisions of any applicable law, regulation or order (except for such violations that would not reasonably be expected to have a Material Adverse Effect), and will not violate or result in a default under any indenture, agreement or other instrument evidencing Material Debt binding upon the Borrower or any Guarantor or their Properties, or give rise to a right thereunder to require any payment to be made by the Borrower or such Guarantor (except as would not reasonably be expected to have a Material Adverse Effect); and (d) all consents, approvals, and filings and registrations with, any Governmental Authority required under applicable law and regulations for the making and performance of this Guaranty have been obtained or made and are in full force and effect, except (i) those consents, approvals, filings and registrations, which, if not made or obtained, would not cause a Default under the Credit Agreement or could not reasonably be expected to have a Material Adverse Effect and (ii) the filing of any required documents with the SEC.

17. Indemnification and Survival. Each Guarantor shall jointly and severally indemnify the Guaranteed Parties and their respective officers, directors, employees, Affiliates, agents and attorneys (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 reasonable and customary fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Guaranty or any other Loan Document (other than expenses in connection with the execution and delivery of this Guaranty and the other Loan Documents dated of even date herewith, which expenses shall only be paid by the Borrower to the extent provided in Section 12.03(a) of the Credit Agreement) or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto or the parties to any other

Loan Document of their respective Guarantee Obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or by any other Loan Document, (ii) the failure of any Guarantor or their respective subsidiaries to comply with the terms of any Loan Document, including this Guaranty, or with any governmental requirement, (iii) any inaccuracy of any representation or any breach of any warranty or covenant of any Guarantor set forth in any of the Loan Documents or any instruments, documents or certifications delivered in connection therewith, (iv) any Loan or Letter of Credit or the use of the Proceeds therefrom, including, without limitation, (a) any refusal by any Issuing Bank to honor a demand for payment under a Letter of Credit issued by such Issuing Bank if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit, or (b) the payment of a drawing under any Letter of Credit notwithstanding the non-compliance, non-delivery or other improper presentation of the documents presented in connection therewith, (v) any other aspect of the Loan Documents, (vi) the operations of the business of the Guarantors or their respective Subsidiaries by the Guarantors or their respective Subsidiaries, (vii) any assertion that the Guaranteed Parties were not entitled to receive the Proceeds received pursuant to the Security Instruments, (viii) any Environmental Law applicable to any Guarantor or its Subsidiaries or any of their properties, including without limitation, the presence, generation, storage, release, threatened release, use, transport, disposal, arrangement of disposal or treatment of oil, oil and gas wastes, solid wastes or Hazardous Materials on any of their properties, (ix) the breach or non-compliance by the Guarantors or their respective Subsidiaries with any Environmental Law applicable to the Guarantors or their respective Subsidiaries, (x) the past ownership by the Guarantors or their respective Subsidiaries of any of their properties or past activity on any of their properties which, though lawful and fully permissible at the time, could result in present liability, (xi) the presence, use, release, storage, treatment, disposal, generation, threatened release, transport, arrangement for transport or arrangement for disposal of oil, oil and gas wastes, solid wastes or hazardous substances on or at any of the properties owned or operated by the Guarantors or their respective Subsidiaries or any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Guarantors or their respective Subsidiaries, (xii) any environmental liability related in any way to the Guarantors or their respective Subsidiaries, or (xiii) any other environmental, health or safety condition in connection with the Loan Documents, (xiv) the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission system in connection with this Guaranty, the other Loan Documents or the transactions contemplated hereby or thereby, or (xv) any actual or prospective Claim, litigation, investigation or proceeding relating to any of the foregoing, whether brought by a third party or any Guarantor, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto, and such indemnity shall extend to each Indemnitee notwithstanding the sole or concurrent negligence of every kind or character whatsoever, whether active or passive, whether an affirmative act or an omission, including without limitation, all types of negligent conduct identified in the restatement (second) of torts of one or more of the Indemnitees or by reason of strict liability imposed without fault on any one or more of the Indemnitees; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, Claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, and provided further that the indemnity set forth herein shall not apply to disputes solely between Lenders unless such dispute

results from any Claim arising out of any request, act or omission on the part of any Guarantor or against the arranger, any agent or any Issuing Bank in its capacity as such, in each case, in connection with the Loan Documents. With respect to the obligation to reimburse an Indemnitee for fees, charges and disbursements of counsel, each Indemnitee agrees that all Indemnitees will as a group utilize one primary counsel (plus no more than one additional counsel in each jurisdiction where a proceeding that is the subject matter of the indemnity is located) unless (1) there is a conflict of interest among Indemnitees, (2) defenses or claims exist with respect to one or more Indemnitees that are not available to one or more other Indemnitees or (3) special counsel is required to be retained and the Guarantor consents to such retention.

18. GOVERNING LAW; Assignment; Jurisdiction; Notices. THIS GUARANTY AND ALL CLAIMS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES. This Guaranty shall (a) bind each Guarantor and its successors and assigns, provided that no Guarantor may assign its rights or obligations under this Guaranty without the prior written consent of the Administrative Agent on behalf of the Guaranteed Parties (and any attempted assignment without such consent shall be void), and (b) inure to the benefit of the Guaranteed Parties and their successors and assigns and the Guaranteed Parties may, without notice to any Guarantor and without affecting any Guarantor's obligations hereunder, assign, sell or grant participations in the Guaranteed Obligations and this Guaranty, in whole or in part. **EACH GUARANTOR HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN OR WITH JURISDICTION OVER TEXAS, IN ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING RELATING IN ANY WAY TO THIS GUARANTY, AND AGREES THAT ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. EACH GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL CLAIMS, OBJECTIONS AND DEFENSES THAT IT MAY HAVE REGARDING ANY SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE OR INCONVENIENT FORUM. EACH GUARANTOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND EACH GUARANTOR AND THE ADMINISTRATIVE AGENT CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 12.01 OF THE CREDIT AGREEMENT.** A final judgment in any proceeding of any such court shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or any other manner provided by applicable law. Nothing herein shall limit the right of the Administrative Agent or any Guaranteed Party to bring proceedings against any Guarantor in any other court, nor limit the right of any party to serve process in any other manner permitted by applicable law. Nothing in this Guaranty shall be deemed to preclude enforcement by the Administrative Agent or any Guaranteed Party of any judgment or order obtained in any forum or jurisdiction. Each Guarantor agrees that the Guaranteed Parties may disclose to any permitted assignee of or permitted participant in, or any permitted prospective assignee of or participant in, any of their rights or obligations of all or part of the Guaranteed Obligations any and all information in the Guaranteed Parties' possession concerning such Guarantor, this Guaranty and any security for this Guaranty, in each case subject to Section 12.11 of the Credit Agreement. All notices, demands and requests that any party is required or elects to give to any other party shall be given in accordance with the provisions of Section 12.01 of the Credit Agreement, and if to any Guarantor shall be given to it at the address specified in the Credit Agreement for such Guarantor or as otherwise specified by such Guarantor in writing.

19. WAIVER OF JURY TRIAL; FINAL AGREEMENT. TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW, EACH GUARANTOR IRREVOCABLY WAIVES TRIAL BY JURY WITH RESPECT TO ANY ACTION, CLAIM, SUIT OR PROCEEDING ON, ARISING OUT OF OR RELATING TO THIS GUARANTY OR THE GUARANTEED OBLIGATIONS. THIS GUARANTY REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES HERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS BETWEEN THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

20. Further Assurances. Each Guarantor agrees, upon the written request of the Administrative Agent or any other Guaranteed Party, to execute and deliver to the Guaranteed Parties, from time to time, any additional instruments or documents reasonably requested by the Administrative Agent or any Guaranteed Party to cause this Guaranty to be, become or remain valid and effective in accordance with its terms.

21. Additional Guarantors. Pursuant to Section 8.14(b) of the Credit Agreement, certain Subsidiaries are from time to time required to enter into this Guaranty as a Guarantor. Upon execution and delivery after the date hereof by the Administrative Agent and a Subsidiary of a supplement in the form of Exhibit A hereto, such Subsidiary shall become a Guarantor hereunder with the same force and effect as if originally named as a Guarantor herein. The execution and delivery of any instrument adding an additional Guarantor as a party to this Guaranty shall not require the consent of any Guarantor hereunder, of the Borrower or of any Guaranteed Party. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party hereto.

[signature pages follow]

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

GUARANTORS:

BERRY PETROLEUM COMPANY, LLC

By: /s/ Steven B. Wilson
Name: Steven B. Wilson
Title: Chief Financial Officer

BERRY PETROLEUM CORPORATION

By: /s/ Steven B. Wilson
Name: Steven B. Wilson
Title: Chief Financial Officer

Acknowledged and accepted:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

By: /s/ Patrick J. Fults
Name: Patrick J. Fults
Title: Director

[Signature Page to Guaranty]

EXHIBIT A

TO GUARANTY

SUPPLEMENT NO.__ dated as of _____ __, 20 __ (this "Supplement") to the Guaranty dated as of February 28, 2017 (as the same may be amended, supplemented or otherwise modified from time to time, the "Guaranty"), by each of the Borrower (as defined below) and Berry Petroleum Corporation, a Delaware corporation ("Parent Guarantor" and together with the Borrower and each Person who becomes a party to this Guaranty by execution of a supplement in the form of Exhibit A thereto, collectively the "Guarantors" and each individually a "Guarantor") in favor of the Guaranteed Parties.

Reference is made to Credit Agreement dated as of February 28, 2017 (as from time to time amended, the "Credit Agreement") by and among Berry Petroleum Company, LLC (the "Borrower"), the Guarantors from time to time party thereto, certain financial institutions from time to time party thereto as lenders (the "Lenders") and Wells Fargo Bank, National Association as administrative agent for such Lenders (the "Administrative Agent").

Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Guaranty and the Credit Agreement, as applicable.

The Guarantors have entered into the Guaranty in order to induce the Guaranteed Parties to extend credit and take other actions pursuant to the Loan Documents. Pursuant to Section 8.14(b) of the Credit Agreement, the undersigned Subsidiary is required to enter into the Guaranty as a Guarantor. Section 21 of the Guaranty provides that additional Subsidiaries may become Guarantors under the Guaranty by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Guarantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Guarantor under the Guaranty in order to induce the Guaranteed Parties to extend and continue the extension of credit pursuant to the Credit Agreement and/or to enter into and perform under other Loan Documents.

Accordingly, Administrative Agent and the New Guarantor agree as follows:

SECTION 1. In accordance with Section 21 of the Guaranty, the New Guarantor by its signature below becomes a Guarantor under the Guaranty with the same force and effect as if originally named therein as a Guarantor and the New Guarantor hereby (a) agrees to all the terms thereof and warrants that the representations and warranties made by it as a Guarantor thereunder are true and correct on and as of the date hereof and (b) without limiting the foregoing, guaranties the punctual payment of all Guaranteed Obligations now owing or which may in the future be owing by Borrower under the Loan Documents, when the same are due and payable, whether on demand, at stated maturity, by acceleration or otherwise. Henceforth, each reference to a "Guarantor" in the Loan Documents shall be deemed to include the New Guarantor. The Guaranty is hereby incorporated herein by reference.

SECTION 2. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single agreement. This Supplement shall become effective when Administrative Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Guarantor and Administrative Agent.

SECTION 3. Except as expressly supplemented hereby, the Guaranty shall remain in full force and effect.

SECTION 4. THIS SUPPLEMENT AND ALL CLAIMS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES.

SECTION 5. All communications and notices hereunder shall be in writing and given as provided in Section 12.01 of the Credit Agreement. All communications and notices hereunder to the New Guarantor shall be given to it at the address set forth under its signature below, with a copy to Administrative Agent.

[Signature Page Follows]

IN WITNESS WHEREOF, the New Guarantor and the Administrative Agent have duly executed this Supplement to the Guaranty as of the day and year first above written.

[Name of New Guarantor]

By: _____
Name:
Title:
Address:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

By: _____
Name:
Title:

Exhibit 10.15

Execution Version

PLEDGE AGREEMENT

This PLEDGE AGREEMENT (the "Agreement"), dated as of February 28, 2017, is made by Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation ("Parent Guarantor" together with the Borrower and each Person who becomes a party to this Agreement by execution of a joinder in the form of Exhibit C hereto, collectively the "Pledgors" and each individually a "Pledgor"), in favor of Wells Fargo Bank, National Association, as administrative agent (in such capacity, together with its successors in such capacity, the "Administrative Agent"), for the benefit of the Secured Parties.

W I T N E S S E T H:

WHEREAS, contemporaneously herewith the Pledgors are entering into that certain Credit Agreement of even date herewith (the same, as it may be amended, restated, modified or supplemented and in effect from time to time, being herein referred to as the "Credit Agreement") with certain financial institutions from time to time party thereto (collectively, the "Lenders"), and the Administrative Agent, providing for the Lenders to make available to the Borrowers certain credit facilities on the terms and conditions set forth therein;

WHEREAS, contemporaneously herewith the Pledgors are entering into that certain Guaranty Agreement of even date herewith (the same, as it may be amended, restated, modified or supplemented and in effect from time to time, being herein referred to as the "Guaranty") pursuant to which the Pledgors guaranty the Obligations, including the obligations of the Borrower and the other Obligors under the Credit Agreement and the other Loan Documents;

WHEREAS, certain Lenders or Affiliates of Lenders have entered into or may hereafter enter into Secured Swap Agreements with one or more Pledgors;

WHEREAS, all of the issued and outstanding Equity Interests owned by each Pledgor as of the date first set forth above are set forth on Exhibit A hereto (the issuer of each such Equity Interest, together with each other issuer of Equity Interests which are hereafter acquired by any Pledgor and pledged hereunder, is referred to herein as an "Issuer" and collectively as the "Issuers");

WHEREAS, each of the Pledgors other than the Borrower is either (i) a direct or indirect owner of the capital stock or shares of the Borrower or (ii) a Subsidiary or Affiliate of the Borrower, will benefit directly and indirectly from the credit facilities made available pursuant to the Credit Agreement and is guaranteeing the Obligations pursuant to the Guaranty; and

WHEREAS, to induce the Administrative Agent and the Lenders to enter into the Credit Agreement and make available the credit facilities thereunder, and to induce each Secured Swap Party to enter into its respective Secured Swap Agreement, the Pledgors have agreed to pledge to the Administrative Agent, for the benefit of the Administrative Agent and the other Secured Parties, all Pledged Collateral (as defined below) now or hereafter owned or acquired by any Pledgor on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions. Unless otherwise defined herein, all capitalized terms used herein shall have the respective meanings ascribed thereto in the Credit Agreement. Terms defined in the UCC which are not otherwise defined in this Agreement or in the Credit Agreement are used in this Agreement as defined in the UCC as in effect on the date hereof. In addition, as used herein:

"Addendum" shall have the meaning ascribed thereto in Section 2 below.

"Equity Interest Power" shall have the meaning ascribed thereto in Section 2 below.

"Excluded Property" shall mean (i) any Equity Interest in any Foreign Subsidiary (x) that is not a first-tier Subsidiary of a Pledgor, or (y) to the extent the same represents, for all Pledgors in the aggregate, more than 65% of the total combined voting power of all classes of capital stock or similar Equity Interests of such Foreign Subsidiary which are entitled to vote (such equity interests in such Foreign Subsidiary that are Pledged hereunder being indicated on Exhibit A hereto, as it may be supplemented from time to time); (ii) any Equity Interests in any pledged entity acquired on or after the Effective Date that is not a Subsidiary of a Pledgor, if the terms of the Organizational Documents of such pledged entity do not permit the grant of a security interest in such Equity Interests by the owner thereof or the applicable Pledgor has been unable to obtain any approval or consent to the creation of a security interest therein which is required under such Organizational Documents; provided, however, the foregoing exclusions shall in no way be construed (a) to apply if any such prohibition would be rendered ineffective under the UCC (including Sections 9.406, 9.407 and 9.408 thereof) or other applicable law (including the Bankruptcy Code) or principles of equity, (b) so as to limit, impair or otherwise affect the Administrative Agent's unconditional continuing Liens upon any rights or interests of any Pledgor in or to the proceeds thereof (including proceeds from the sale or other disposition thereof), including monies due or to become due under any such sale or disposition, or any contract or agreement related thereto (including any Accounts), (c) to apply at such time as the condition causing such prohibition shall be remedied (including pursuant to a waiver thereof or a consent related thereto) and, to the extent severable, "Pledged Collateral" shall include any portion of such contract, agreement or assets subject thereto that does not result in such prohibition and (iii) any Equity Interests (a) to the extent the burden of perfection would exceed the benefit to the Secured Parties in the reasonable written determination of Administrative Agent or (b) to the extent perfection (A) is prohibited by any Governmental Requirement or (B) could reasonably be expected to result in material adverse tax consequences to the Borrower or any Subsidiary of the Borrower.

"Indemnified Liabilities" shall have the meaning ascribed thereto in Section 10 below.

"Indemnified Parties" shall have the meaning ascribed thereto in Section 10 below.

"Irrevocable Proxy" shall have the meaning ascribed thereto in Section 2 below.

"Permitted Liens" shall mean liens permitted under Section 9.03 of the Credit Agreement.

"Pledged Collateral" shall have the meaning ascribed thereto in Section 2 below.

"Pledged Shares" shall have the meaning ascribed thereto in Section 2 below.

"Pledgor Claims" means all debts and obligations of the Borrower or any other Pledgor to any Pledgor, including but not limited to any obligation of the Borrower or any other Pledgor to such Pledgor as subrogee of the Secured Parties or resulting from such Pledgor's performance under this Agreement, whether such debts and obligations now exist or are hereafter incurred or arise, or whether the obligation of the debtor thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or obligations be evidenced by note, contract, open account, or otherwise, and irrespective of the Person or Persons in whose favor such debts or obligations may, at their inception, have been, or may hereafter be created, or the manner in which they have been or may hereafter be acquired by such Pledgor.

"Proceeds" means "proceeds", as such term is defined in the UCC and, in any event, includes, without limitation, (a) any and all proceeds of any insurance, indemnity, warranty or guaranty payable with respect to any of the Pledged Collateral, (b) any and all payments (in any form whatsoever) made or due and payable from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Pledged Collateral by any governmental body, authority, bureau or agency (or any person acting under color of governmental authority), (c) all Stock Rights and (d) any and all other amounts from time to time paid or payable under, in respect of or in connection with any of the Pledged Collateral.

"Registration Page" shall have the meaning ascribed thereto in Section 2 below.

"Representative" means any Person acting as agent, representative or trustee on behalf of the Administrative Agent from time to time.

"Secured Obligations" means the Obligations (as defined in the Credit Agreement), the Guaranteed Obligations (as defined in the Guaranty Agreement) and all other obligations and indebtedness of any Pledgor now or hereafter arising under the Loan Documents.

"Security Termination" means such time at which each of the following events shall have occurred on or prior to such time: (a) all Commitments have terminated or expired; (b) the Credit Agreement has terminated; (c) all Secured Obligations (other than obligations under any Secured Swap Agreement and other than indemnities and other contingent obligations not then due and payable and as to which no claim has been made

as of the time of determination) have been indefeasibly paid in full in cash; (d) all Secured Swap Agreements have been terminated and paid in full, novated or the applicable Pledgor has provided substitute collateral to the Secured Swap Party thereunder to the extent provided under the applicable Secured Swap Agreement (or as to which other arrangements satisfactory to the applicable Secured Swap Party shall have been made); and (e) all Letters of Credit have expired or terminated or the LC Exposure has been cash collateralized (or as to which other arrangements satisfactory to the applicable Pledgor and the Issuing Bank shall have been made), as provided for in the Credit Agreement.

"Stock Rights" means all dividends, instruments or other distributions and any stocks, shares, warrants, options or other securities rights or any other right or property which the Pledgors shall receive or shall become entitled to by way of dividend bonus, redemption, exchange, purchase, substitution, conversion, consolidation, subdivision, preference or otherwise to receive for any reason whatsoever with respect to the Pledged Shares, in substitution for or in exchange for any Equity Interest constituting Pledged Collateral, any right to receive an Equity Interest and any right to receive earnings, interest or other income which may be paid or payable in which the Pledgors now have or hereafter acquire any right, issued by an Issuer of such Equity Interest.

"UCC" means the Uniform Commercial Code as from time to time in effect in the State of Texas; provided, however, that, in the event that, by reason of mandatory provisions of law, any of the attachment, perfection or priority of the Administrative Agent's and the Secured Parties' security interest in any Pledged Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Texas, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection, the effect thereof or priority and for purposes of definitions related to such provisions.

"1933 Act" means the Securities Act of 1933, as amended (or any similar statute then in effect).

"1934 Act" means the Securities Exchange Act of 1934, as amended (or any similar statute then in effect).

Section 2. Pledge.

(a) As collateral security for the prompt payment in full when due (whether at stated maturity, by acceleration or otherwise) and performance of the Secured Obligations, each Pledgor hereby pledges, assigns, hypothecates, transfers, delivers and grants to the Administrative Agent, for the benefit of the Secured Parties, a Lien on and perfected security interest in (i) all of the Equity Interests of the Issuers now owned or hereafter acquired by such Pledgor (the Equity Interests described in the foregoing clause (i) collectively, the "Pledged Shares"; when used with respect to any one Pledgor, "Pledged Shares" means the Pledged Shares in which such Pledgor has an interest or in which Exhibit A indicates such Pledgor has an interest), (ii) all other property hereafter

delivered to, or in the possession or in the custody of, the Administrative Agent, in substitution for or in addition to the Pledged Shares, (iii) any other property of any Issuer, as described in Section 4 below, now or hereafter delivered to, or in the possession or custody of such Pledgor, (iv) all rights, privileges, authority or powers of such Pledgor as an owner of such pledged Equity Interest in such Issuers, and (v) all Proceeds of the collateral described in the preceding clauses (i), (ii), (iii) and (iv) (the collateral described in clauses (i) through (v) of this Section 2 being collectively referred to as the "Pledged Collateral"). Notwithstanding the foregoing, the term "Pledged Collateral" shall not include any Excluded Property and no Lien or security interest is hereby granted on any Excluded Property, in each case, solely for so long as such property remains Excluded Property.

(b) All of the Pledged Shares owned by each Pledgor on the date hereof, as applicable, are listed on Exhibit A hereto, and (i) to the extent applicable, all instruments or certificates representing the Pledged Shares and undated equity interest powers substantially in the form attached hereto as Exhibit E or such other equivalent equity interest powers reasonably acceptable to the Administrative Agent ("Equity Interest Power") duly executed in blank by such Pledgor, (ii) irrevocable proxies substantially in the form attached hereto as Exhibit F ("Irrevocable Proxy") and (iii) a duly executed equity registration page, substantially in the form attached hereto as Exhibit G ("Registration Page"), are being delivered to the Administrative Agent, for the benefit of the Secured Parties, simultaneously herewith. Each Pledgor shall execute an Addendum in the form of Exhibit B hereto (an "Addendum") and deliver to the Administrative Agent, stock certificates (if any), together with duly executed Equity Interest Powers, Irrevocable Proxies and Registration Pages upon creation or acquisition by such Pledgor of any Equity Interest in any other newly formed or acquired Subsidiary or any additional Equity Interest in Issuers named on Exhibit A within the time period required under the Credit Agreement. The Administrative Agent, on behalf of the Secured Parties, shall maintain possession and custody of the certificates representing the Pledged Shares and any additional Pledged Collateral.

(c) The Lien and security interest created hereby in the Pledged Collateral secures the payment and performance of all Secured Obligations. Without limiting the generality of the foregoing, this Agreement secures, as to each Pledgor, the payment of all amounts that constitute part of the Secured Obligations and would be owed by any Pledgor to any Secured Party under the Loan Documents but for the fact that they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving a Pledgor.

(d) This Agreement is executed and granted for the pro rata benefit and security of the Administrative Agent and the other Secured Parties as security for the Secured Obligations until Security Termination has occurred; it being understood and agreed that possession of any Note (or any replacements of any said Note) at any time by the Borrower or any other Pledgor shall not in any manner extinguish the Secured Obligations, such Notes or this Agreement securing payment thereof, and the Borrower shall have the right to issue and reissue any of the Notes from time to time as its interest or as convenience may require, without in any manner extinguishing or affecting the Secured Obligations, the obligations under any of the Notes, or the security of this Agreement.

Section 3. Representations, Warranties and Covenants of Pledgors. Each Pledgor represents, warrants and covenants to the Administrative Agent, for the benefit of the Secured Parties as follows:

(a) such Pledgor is the record and beneficial owner of, and has legal title to, the Pledged Shares, including without limitation the Pledged Shares listed on Exhibit A, and such shares are and all other Equity Interests constituting Pledged Collateral are free and clear of all Liens and other encumbrances and restrictions whatsoever, except Permitted Liens;

(b) such Pledgor has full power, authority and legal right to execute this Agreement and to pledge the Pledged Shares and any additional Pledged Collateral to the Administrative Agent, for the benefit of the Secured Parties;

(c) this Agreement has been duly authorized, executed and delivered by such Pledgor and constitutes a legal, valid and binding obligation of such Pledgor enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally;

(d) there are no outstanding options, warrants or other agreements with respect to the Pledged Shares;

(e) the Pledged Shares have been duly and validly authorized and issued, and are fully paid and non-assessable. On the date hereof, the Pledged Shares listed on Exhibit A constitute the percentage of the issued and outstanding Equity Interests of such class of the Issuers specified on Exhibit A;

(f) no consent, approval or authorization of or designation or filing with any Governmental Authority on the part of such Pledgor is required in connection with or as a condition to the pledge and security interest granted under this Agreement, or the exercise by the Administrative Agent of the voting and other rights provided for in this Agreement except as may be required in connection with disposition of the Pledged Collateral by laws affecting the offering and sale of securities generally;

(g) the execution, delivery and performance of this Agreement by such Pledgor does not (i) require any consent or approval of any holders of Equity Interests of such Pledgor, except those already obtained; (ii) violate or cause a default under the Organizational Documents of such Pledgor; (iii) violate or cause a default under any applicable law, material contract or of any securities issued by any Issuer, other than the Operating Agreement of Lake Canyon Transportation and Gathering, LLC; or (iv) result in or require the imposition of any Lien (other than Permitted Liens) on such Pledgor's Property;

(h) the pledge, assignment and delivery (to the extent applicable) to the Administrative Agent of the Pledged Shares, or other actions establishing control over the Pledged Shares (to the extent applicable) pursuant to this Agreement creates a valid Lien on and a perfected security interest in the Pledged Shares and the Proceeds thereof in favor of the Administrative Agent, for the benefit of the Secured Parties, subject to no prior Lien (other than Permitted Liens). Such Pledgor covenants and agrees that it will defend the Administrative Agent's right, title and security interest in and to the Pledged Shares and the proceeds thereof against the claims and demands of all persons whomsoever, (i) subject to the rights of such Pledgor under the Loan Documents to dispose of the Pledged Shares and (ii) other than any holders of Permitted Liens;

(i) with respect to any certificates delivered to the Administrative Agent representing Pledged Collateral, either such certificates are Securities as defined in Article 8 of the UCC as a result of actions by the Issuer or otherwise, or, if such certificates are not Securities, such Pledgor has so informed the Administrative Agent so that the Administrative Agent may take steps to perfect its security interest therein as a General Intangible;

(j) none of the Pledged Shares have been issued or transferred in violation of the 1933 Act, 1934 Act or other applicable securities registration, securities disclosure or similar laws of any jurisdiction to which such issuance shall or transfer may be subject;

(k) no Pledged Collateral owned by such Pledgor is or shall be held by a securities intermediary, except for a Pledged Collateral held in a Securities Account in compliance with Section 4.11 of the Security Agreement;

(l) (i) if the Organizational Documents of any Pledgor specify that such Pledgor has "opted in" to Article 8 of the UCC or otherwise provides that Article 8 of the UCC shall govern any related Pledged Collateral and/or any such Pledged Collateral will or may be evidenced by certificates, then (A) such certificates are Securities as defined in Article 8 of the UCC and (B) such Pledgor has delivered such certificates to the Administrative Agent; or (ii) if the Organizational Documents of any Pledgor do not specify that such Pledgor has "opted in" to Article 8 of the UCC or otherwise do not provide that Article 8 of the UCC governs any related Pledged Collateral and/or do not provide that such Pledged Collateral will or may be evidenced by certificates, then (A) such Pledged Collateral are not Securities as defined in Article 8 of the UCC and (B) such Pledgor shall not create or deliver any certificates to any Person in relation to such Pledged Collateral; and (iii) in either instance (i) or (ii), no Pledgor may amend or terminate any provision of its Organizational Documents pertaining to such Pledged Collateral.

(m) the Administrative Agent has a perfected security interest in all uncertificated Pledged Shares pledged hereunder that are in existence on the date hereof. Each Pledgor hereby agrees that if any of the Pledged Shares are at any time not evidenced by certificates of ownership, then each applicable Pledgor shall, to the extent permitted by applicable law, (i) cause the Issuer to execute and deliver to the Administrative Agent an acknowledgment of the pledge of such Pledged Shares

substantially in the form of Exhibit D hereto or such other form that is reasonably satisfactory to the Administrative Agent and (ii) to the extent reasonably requested by the Administrative Agent, if necessary to perfect a security interest in such Pledged Shares, cause such pledge to be recorded on the equity holder register or the books of the Issuer, and execute any customary pledge forms or other documents necessary or appropriate to complete the pledge and give the Administrative Agent the right to transfer such Pledged Shares under the terms hereof.

Section 4. Stock Dividends, Distributions, etc. If, while this Agreement is in effect, any Pledgor shall become entitled to receive or shall receive any certificate representing Equity Interests constituting Pledged Collateral (including, without limitation, any certificate representing a stock dividend or a stock distribution in connection with any reclassification, increase or reduction of capital, or issued in connection with any reorganization, merger or consolidation), or any options or rights, whether as an addition to, in substitution for, or in exchange for any of the Pledged Shares, or otherwise, such Pledgor agrees to accept, hold and deliver the same forthwith to the Administrative Agent in the exact form received, with the endorsement of such Pledgor when necessary and/or appropriate and undated Equity Interest Powers duly executed in blank, to be held by the Administrative Agent, for the benefit of the Secured Parties, subject to the terms hereof, as additional Pledged Collateral. In case any distribution of capital shall be made on or in respect of the Pledged Shares or any property shall be distributed upon or with respect to the Pledged Shares pursuant to the recapitalization or reclassification of the capital of the Issuer thereof or pursuant to the reorganization thereof, in a transaction not permitted under Section 9.04 of the Credit Agreement, the property so distributed shall be delivered to the Administrative Agent to be held by it as additional Pledged Collateral. Except as provided in Section 5(a)(ii) below, all sums of money and property so paid or distributed in respect of the Pledged Shares which are received by such Pledgor as described in the immediately preceding sentence shall, until paid or delivered to the Administrative Agent, be held by such Pledgor in trust as additional Pledged Collateral.

Section 5. Administration of Security.

(a) Each Pledgor shall be entitled (subject to the other provisions hereof, including, without limitation, Section 9 below):

(i) until receipt of notice to the contrary from the Administrative Agent during the continuance of an Event of Default, to vote or consent with respect to the Pledged Shares; provided, however, that no vote or other right shall be exercised or action taken by any Pledgor which would reasonably be expected to have the effect of impairing the rights of the Administrative Agent in respect of such Pledged Collateral; and

(ii) until receipt of notice to the contrary from the Administrative Agent delivered during the continuance of an Event of Default, to receive cash dividends or other distributions in the ordinary course made in respect of the Pledged Shares, to the extent permitted to be paid pursuant to the Credit Agreement.

(b) EACH PLEDGOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS THE ADMINISTRATIVE AGENT AS ITS PROXY AND ATTORNEY-IN-FACT FOR SUCH PLEDGOR WITH RESPECT TO THE PLEDGED COLLATERAL WITH THE RIGHT TO, DURING THE CONTINUANCE OF AN EVENT OF DEFAULT, TAKE ANY OF THE FOLLOWING ACTIONS (I) TRANSFER AND REGISTER IN ITS NAME OR IN THE NAME OF ITS NOMINEE THE WHOLE OR ANY PART OF THE PLEDGED COLLATERAL, (II) VOTE THE PLEDGED SHARES, WITH FULL POWER OF SUBSTITUTION TO DO SO, (III) RECEIVE AND COLLECT ANY DIVIDEND OR OTHER PAYMENT OR DISTRIBUTION IN RESPECT OF, OR IN EXCHANGE FOR, THE PLEDGED COLLATERAL OR ANY PORTION THEREOF, TO GIVE FULL DISCHARGE FOR THE SAME AND TO INDORSE ANY INSTRUMENT MADE PAYABLE TO PLEDGOR FOR SAME, (IV) EXERCISE ALL OTHER RIGHTS, POWERS, PRIVILEGES AND REMEDIES TO WHICH A HOLDER OF THE PLEDGED COLLATERAL WOULD BE ENTITLED (INCLUDING, WITH RESPECT TO THE PLEDGED SHARES, GIVING OR WITHHOLDING WRITTEN CONSENTS OF SHAREHOLDERS, PARTNERS OR MEMBERS, CALLING SPECIAL MEETINGS OF SHAREHOLDERS, PARTNERS OR MEMBERS AND VOTING AT SUCH MEETINGS), AND (V) TAKE ANY ACTION AND EXECUTE ANY INSTRUMENT WHICH THE ADMINISTRATIVE AGENT MAY DEEM NECESSARY OR ADVISABLE TO ACCOMPLISH THE PURPOSES OF THIS AGREEMENT. THE APPOINTMENT OF THE ADMINISTRATIVE AGENT AS PROXY AND ATTORNEY-IN-FACT IS COUPLED WITH AN INTEREST AND SHALL BE VALID AND IRREVOCABLE UNTIL SECURITY TERMINATION; IT BEING UNDERSTOOD THAT SUCH SECURED OBLIGATIONS AND THIS AGREEMENT AND THE LIENS AND SECURITY INTEREST CREATED HEREBY WILL CONTINUE TO BE EFFECTIVE OR AUTOMATICALLY REINSTATED, AS THE CASE MAY BE, IF AT ANY TIME PAYMENT, IN WHOLE OR IN PART, OF ANY OF THE SECURED OBLIGATIONS IS RESCINDED OR MUST OTHERWISE BE RESTORED OR RETURNED BY THE ADMINISTRATIVE AGENT OR ANY OTHER SECURED PARTY FOR ANY REASON, INCLUDING AS A PREFERENCE, FRAUDULENT CONVEYANCE OR OTHERWISE UNDER ANY BANKRUPTCY, INSOLVENCY OR SIMILAR LAW, ALL AS THOUGH SUCH PAYMENT HAD NOT BEEN MADE; IT BEING FURTHER UNDERSTOOD THAT IN THE EVENT PAYMENT OF ALL OR ANY PART OF THE SECURED OBLIGATIONS IS RESCINDED OR MUST BE RESTORED OR RETURNED, ALL REASONABLE OUT-OF-POCKET COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND DISBURSEMENTS) INCURRED BY THE ADMINISTRATIVE AGENT OR ANY OTHER SECURED PARTY IN DEFENDING AND ENFORCING SUCH REINSTATEMENT SHALL BE DEEMED TO BE INCLUDED AS A PART OF THE SECURED OBLIGATIONS. SUCH APPOINTMENT OF THE ADMINISTRATIVE AGENT AS PROXY AND ATTORNEY-IN-FACT SHALL BE VALID AND IRREVOCABLE AS PROVIDED HEREIN NOTWITHSTANDING ANY LIMITATIONS TO THE CONTRARY SET FORTH IN THE ARTICLES OR CERTIFICATE OF INCORPORATION OR ORGANIZATION, CERTIFICATE OF FORMATION, BYLAWS, LIMITED

LIABILITY COMPANY AGREEMENTS OR OTHER ORGANIZATIONAL DOCUMENTS OF ANY PLEDGOR, THE BORROWER OR ANY ISSUER. In order to further effect the foregoing transfer of rights in favor of the Administrative Agent, the Administrative Agent shall have the right, upon the occurrence and during the continuance of an Event of Default, to present to Borrower or any Issuer an Irrevocable Proxy and/or Registration Page. After the occurrence and during the continuance of an Event of Default and upon the request of the Administrative Agent, each Pledgor agrees to deliver to the Administrative Agent, on behalf of the Secured Parties, such further evidence of such Irrevocable Proxy or additional Irrevocable Proxies to vote the Pledged Shares as the Administrative Agent may request.

(c) Upon the occurrence and during the continuance of an Event of Default, and following delivery of a notice pursuant to Section 5(a) (ii), in the event that any Pledgor, as record and beneficial owner of its Pledged Shares, shall have received or shall have become entitled to receive, any cash dividends or other distributions in the ordinary course, such Pledgor shall deliver to the Administrative Agent, for the benefit of the Secured Parties, and the Administrative Agent, for the benefit of the Secured Parties, shall be entitled to receive and retain, all such cash or other distributions as additional Pledged Collateral.

(d) All prior proxies given by any Pledgor with respect to any of the Pledged Collateral or any of the Pledged Shares, as applicable (other than to the Administrative Agent) are hereby revoked, and no subsequent proxies (other than to the Administrative Agent) will be given with respect to any of the Pledged Collateral or any of the Pledged Shares, as applicable. The Administrative Agent, as proxy, will be empowered and may exercise the irrevocable proxy to vote the Pledged Collateral and/or the Pledged Shares at any and all times during the continuance of an Event of Default, including, but not limited to, at any meeting of shareholders, partners or members, as the case may be, of an Issuer, however called, and at any adjournment thereof, or in any action by written consent, and may waive any notice otherwise required in connection therewith. To the fullest extent permitted by applicable law, the Administrative Agent shall have no agency, fiduciary or other implied duties to any Pledgor or Issuer or any other party when acting in its capacity as such proxy or attorney-in-fact. Each Pledgor hereby waives and releases any claims that it may otherwise have against the Administrative Agent with respect to any breach or alleged breach of any such agency, fiduciary or other duty.

(e) Any transfer to the Administrative Agent or its nominee, or registration in the name of the Administrative Agent or its nominee, of the whole or any part of the Pledged Collateral, whether by the delivery of a Registration Page to the applicable Issuer or otherwise, shall be made, subject to the following sentence, solely for purposes of effectuating voting or other consensual rights with respect to the Pledged Collateral in accordance with the terms of this Agreement and is not intended to effectuate any transfer of ownership of the Pledged Collateral. Notwithstanding any delivery or modification of a Registration Page or exercise of an Irrevocable Proxy, the Administrative Agent shall not be deemed the owner of, or assume any obligations of the owner or holder of the Pledged Collateral unless and until the Administrative Agent expressly accepts such obligations in writing or otherwise becomes the owner thereof under applicable law.

(f) At any time, in order to comply with any legal requirement in any jurisdiction, or to effect or continue the creation, attachment or perfection of the Liens and security interest granted herein, the Administrative Agent may appoint any bank or trust company or one or more other Persons, either to act as co-agent or co-agents, jointly with the Administrative Agent, or to act as a separate agent or agents on behalf of the Administrative Agent and/or the other Secured Parties, with such power and authority as may be necessary for the effective operation of the provisions hereof and may be specified in the instrument of appointment.

Section 6. No Disposition, etc. Other than pursuant to a transaction permitted by the Credit Agreement, without the prior written consent of the Administrative Agent or to the extent permitted under the Credit Agreement, each Pledgor agrees that such Pledgor will not sell, assign, transfer, exchange, or otherwise dispose of, or grant any option with respect to, the Pledged Shares or any other Pledged Collateral, nor will such Pledgor create, incur or permit to exist any Lien, other than Permitted Liens, with respect to any of the Pledged Shares, any other Pledged Collateral or any interest therein, or any proceeds thereof. If an Event of Default has occurred and is continuing (or would result therefrom), each Pledgor agrees that it will not vote to enable, and will not otherwise take affirmative action to allow, any Issuer to (a) issue any stock or other securities of any nature in addition to or in exchange or substitution for the Pledged Shares or (b) dissolve, liquidate, retire any of its capital stock, reduce its capital or merge or consolidate with any other Person.

Section 7. Certain Rights of the Administrative Agent. Neither the Administrative Agent nor any of the other Secured Parties shall be liable for failure to collect or realize upon any of the Secured Obligations or any collateral security or guaranty therefor, or any part thereof, or for any delay in so doing, nor shall the Administrative Agent or any of the other Secured Parties be under any obligation to take any action whatsoever with regard thereto. Any or all of the Pledged Shares, if an Event of Default has occurred and is continuing, may be registered in the name of the Administrative Agent or its nominee and the Administrative Agent or its nominee may without notice, exercise all voting and corporate rights at any meeting with respect to any Issuer and exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any of the Pledged Shares as if it were the absolute owner thereof, including, without limitation, the right to vote in favor of, and to exchange at its discretion any and all of the Pledged Shares upon, the merger, consolidation, reorganization, recapitalization or other readjustment with respect to any Issuer or upon the exercise by any Pledgor or the Administrative Agent of any right, privilege or option pertaining to any of the Pledged Shares, and in connection therewith, to deposit and deliver any and all of the Pledged Shares with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as the Administrative Agent may determine, all without liability except to account for property actually received by the Administrative Agent, but the Administrative Agent shall have no duty to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure to do so or delay in so doing.

Section 8. Subordination of All Pledgor Claims.

(a) Each Pledgor hereby subordinates the payment of all Pledgor Claims owing to such Pledgor to the payment in full in cash of all the Secured Obligations (other than contingent indemnification and cost reimbursement obligations for which no claim has been asserted). If the Administrative Agent or the other Secured Parties so request, any such Pledgor Claims owing to such Pledgor shall be enforced and performance received by such Pledgor as trustee for the Secured Parties and the proceeds thereof shall be paid over to the Administrative Agent on account of the Secured Obligations. After and during the continuation of an Event of Default, no Pledgor shall receive or collect, directly or indirectly, from any other Pledgor in respect thereof any amount upon the Pledgor Claims.

(b) In the event of receivership, bankruptcy, reorganization, arrangement, debtor's relief, or other insolvency proceedings involving any Pledgor, the Administrative Agent on behalf of the Secured Parties shall have the right to prove their claim in any proceeding, so as to establish their rights hereunder and receive directly from the receiver, trustee or other court custodian, dividends and payments which would otherwise be payable upon Pledgor Claims. In the event of such proceeding, each Pledgor hereby assigns such dividends and payments to the Administrative Agent for the benefit of the Secured Parties for application against the Secured Obligations as provided under Section 10.02(c) of the Credit Agreement. Should the Administrative Agent or any other Secured Party receive, for application upon the Secured Obligations, any such dividend or payment which is otherwise payable to any Pledgor, and which, as between such Pledgor and any other Pledgor, shall constitute a credit upon the Pledgor Claims, then upon Security Termination, the intended recipient shall become subrogated to the rights of the Administrative Agent and the other Secured Parties to the extent that such payments to the Administrative Agent and the other Secured Parties on the Pledgor Claims have contributed toward the liquidation of the Secured Obligations, and such subrogation shall be with respect to that proportion of the Secured Obligations which would have been unpaid if the Administrative Agent and the other Secured Parties had not received dividends or payments upon the Pledgor Claims.

(c) In the event that, notwithstanding Section 8(a) and (b), any Pledgor should receive any funds, payments, claims or distributions which are prohibited by such Sections, then it agrees: (a) to hold in trust for the Administrative Agent and the other Secured Parties an amount equal to the amount of all funds, payments, claims or distributions so received, and (b) that it shall have absolutely no dominion over the amount of such funds, payments, claims or distributions except to pay them promptly to the Administrative Agent, for the benefit of the Secured Parties; and each Pledgor covenants promptly to pay the same to the Administrative Agent.

(d) Each Pledgor agrees that until Security Termination, any Liens securing payment of the Pledgor Claims shall be and remain inferior and subordinate to any Liens securing payment of the Secured Obligations, regardless of whether such encumbrances in favor of such Pledgor, the Administrative Agent or any other Secured Party presently exist or are hereafter created or attach. Without the prior written consent of the Administrative Agent, no Pledgor, during the period in which any of the Secured Obligations is outstanding or the Commitments are in effect, shall (x) exercise or enforce any creditor's right it may have against any debtor in respect of the Pledgor Claims, or (y) foreclose, repossess, sequester or otherwise take steps or institute any action or proceeding (judicial or otherwise, including without limitation the commencement of or joinder in any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any Lien securing payment of the Pledgor Claims held by it.

(e) All promissory notes and all accounts receivable ledgers or other evidence of the Pledgor Claims accepted by or held by any Pledgor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under the terms of this Agreement.

Section 9. Remedies. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon any Pledgor or any other Person (all and each of which demands, advertisements and/or notices are hereby expressly waived to the fullest extent permitted by law), may forthwith collect, receive and realize upon the Pledged Collateral, or any part thereof, and/or may forthwith sell, assign, give an option or options to purchase, contract to sell or otherwise dispose of (including the disposition by merger) and deliver said Pledged Collateral, or any part thereof, in one or more portions at public or private sale or sales or transactions, at any exchange, broker's board or at any of the Administrative Agent's offices or elsewhere upon such terms and conditions as the Administrative Agent may deem advisable and at such prices as it may deem best, for any combination of cash and/or securities or other property or on credit or for future delivery without assumption by any Secured Party of any credit risk, with the right to the Administrative Agent upon any such sale or sales, public or private, to purchase the whole or any part of said Pledged Collateral so sold, free of any right or equity of redemption in any Pledgor, which right and equity are hereby expressly waived (to the fullest extent permitted by law) or released. Each Pledgor agrees that the Administrative Agent need not give more than ten (10) days' notice of the time and place of any public sale or of the time after which a private sale or other intended disposition is to take place and that such notice is reasonable notification of such matters. No notification need be given to any Pledgor if such Pledgor has signed after the occurrence and during the continuance of an Event of Default a statement renouncing or modifying any right to notification of sale or other intended disposition. In addition to the rights and remedies granted to the Administrative Agent for the benefit of the Secured Parties in this Agreement and in any other instrument or agreement securing, evidencing or relating to any of the Secured Obligations, the Administrative Agent and the other Secured Parties shall have all the rights and remedies of a secured party under the UCC and under any other applicable law.

Section 10. Sale of Pledged Shares. After the occurrence and during the continuance of an Event of Default:

(a) Each Pledgor recognizes that the Administrative Agent, on behalf of the Secured Parties, may be unable to effect a public sale or disposition (including, without limitation, any disposition in connection with a merger of any Issuer) of any or all the Pledged Collateral by reason of certain prohibitions contained in the 1933 Act, and applicable state securities laws, but may be compelled to resort to one or more private sales or dispositions thereof to a restricted group of purchasers who will be obliged to agree, among other things, to acquire such securities for their own account for investment

and not with a view to the distribution or resale thereof. Each Pledgor acknowledges and agrees that any such private sale or disposition may result in prices and other terms (including the terms of any securities or other property received in connection therewith) less favorable to the seller than if such sale or disposition were a public sale or disposition and, notwithstanding such circumstances, agrees that any such private sale or disposition shall be deemed to be reasonable and effected in a commercially reasonable manner. The Administrative Agent shall be under no obligation to delay a sale or disposition of any of the Pledged Collateral in order to permit any Pledgor or any Issuer to register such securities for public sale under the 1933 Act, or under applicable state securities laws, even if such Pledgor or any Issuer would agree to do so. No Secured Party shall incur any liability as a result of the sale of any such Pledged Collateral, or any part thereof, at any private sale provided for in this Agreement conducted in a commercially reasonable manner, and each Pledgor hereby waives to the fullest extent permitted by law any claims against the Secured Parties arising by reason of the fact that the price at which the Pledged Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale or was less than the aggregate amount of the Secured Obligations, even if the Administrative Agent accepts the first offer received and does not offer the Pledged Collateral to more than one offeree.

(b) Each Pledgor agrees to do or cause to be done all such other acts and things as the Administrative Agent may reasonably request to make such sale or sales or dispositions of any portion or all of the Pledged Collateral valid and binding and in compliance with any and all applicable laws, regulations, orders, writs, injunctions, decrees or awards of any and all courts, arbitrators or governmental instrumentalities, domestic or foreign, having jurisdiction over any such sale or sales or dispositions, all at such Pledgor's expense.

(c) Without in any way limiting the requirement of Section 12.03 of the Credit Agreement, each Pledgor agrees to indemnify and hold harmless the Secured Parties, each of their respective successors and assigns, officers, directors, employees, agents and attorneys, and any Person in control of any thereof (the "Indemnified Parties"), from and against any loss, liability, claim, damage and expense, including, without limitation, reasonable counsel fees (collectively called the "Indemnified Liabilities"), which may be imposed on, incurred by or asserted against such Indemnified Party as a result of or in connection with this Agreement or the enforcement by the Administrative Agent or any other Secured Party of its rights and remedies hereunder, and any Indemnified Liabilities, under federal and state securities laws or otherwise, insofar as such Indemnified Liabilities;

(i) arise out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in any registration statement, prospectus or offering memorandum or in any preliminary prospectus or preliminary offering memorandum or in any amendment or supplement to any of the foregoing or in any other writing in connection with the offer, sale or resale of all or any portion of the Pledged Collateral, provided that any such registration statement, prospectus or offering memorandum, preliminary prospectus, preliminary offering memorandum, or other writing was prepared by Pledgors, their representatives, agents, or attorneys or such untrue statement was provided by Pledgors specifically for inclusion therein and unless such untrue statement of material fact was provided by the Administrative Agent specifically for inclusion therein; or

(ii) arise out of or is based upon any omission or alleged omission to state therein a material fact required to be stated or necessary to make the statements therein not misleading.

Such indemnification to remain operative regardless of any investigation made by or on behalf of the Administrative Agent, any Secured Party or any successor thereof, or any Person in control of any thereof. In no event shall any Pledgor have any obligation to indemnify or hold harmless an Indemnified Party with respect to an Indemnified Liability that is determined in a final, non-appealable judgment by a court of competent jurisdiction to result from the gross negligence or willful misconduct by any Indemnified Party. In connection with a public sale or other distribution, each Pledgor will provide customary indemnification to any underwriters, their respective successors and assigns, their respective officers and directors and each Person who controls any such underwriter (within the meaning of the 1933 Act). If and to the extent that the foregoing undertakings in this Section 10(c) may be unenforceable for any reason, each Pledgor agrees to make maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. The obligations of each Pledgor under this Section 10(c) shall survive any termination of this Agreement.

Section 11. Application of Proceeds. The proceeds of any collection, sale or other realization of all or any part of the Pledged Collateral, and any other cash at the time held by the Administrative Agent under this Agreement, shall be applied to the Secured Obligations in accordance with the terms of the Credit Agreement. The Pledgors shall remain liable for any deficiency in the Secured Obligations remaining after such application.

Section 12. Further Assurances. Each Pledgor agrees that at any time and from time to time, upon the written request of the Administrative Agent, such Pledgor will execute and deliver all Equity Interest Powers, Registration Pages, Irrevocable Proxies, financing statements and such further documents and do such further acts and things as the Administrative Agent may reasonably request consistent with the provisions hereof in order to effect the purposes of this Agreement. Without limiting the foregoing, each Pledgor will take any and all necessary actions required or requested by the Administrative Agent, from time to time, to (a) cause the Administrative Agent to obtain exclusive control of any Pledged Collateral owned by such Pledgor in a manner reasonably acceptable to the Administrative Agent and (b) obtain from any Issuer of Pledged Collateral (other than Lake Canyon Transportation and Gathering, LLC, except to the extent that Lake Canyon Transportation and Gathering, LLC is a Subsidiary) written confirmation of the Administrative Agent's control over such Pledged Collateral. For purposes of this Section 12, the Administrative Agent shall have exclusive control of Pledged Collateral if (i) in the case of Pledged Collateral consisting of certificated securities, such Pledgor delivers such certificated securities to the Administrative Agent (with Equity Interest Powers (in blank or otherwise) if such certificated securities are in registered form) and (ii) in the case of any other Pledged Collateral, the Administrative Agent has control thereof for all applicable purposes of the UCC.

Section 13. Limitation on Duty of the Administrative Agent.

(a) The powers conferred on the Administrative Agent under this Agreement are solely to protect the Administrative Agent's interest in the Pledged Collateral and shall not impose any duty upon it to exercise any such powers. The Administrative Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither the Administrative Agent nor its Representative nor any of their respective officers, directors, employees or agents shall be responsible to the Pledgors for any act or failure to act, except for gross negligence or willful misconduct. Without limiting the foregoing, the Administrative Agent and any Representative shall be deemed to have exercised reasonable care in the custody and preservation of the Pledged Collateral in their possession if such Pledged Collateral is accorded treatment substantially equivalent to that which the Administrative Agent or any Representative, in its individual capacity, accords its own property consisting of the type of Pledged Collateral involved, it being understood and agreed that neither the Administrative Agent nor any Representative shall have any responsibility for taking any necessary steps (other than steps taken in accordance with the standard of care set forth above) to protect, preserve or exercise rights against any Person with respect to any Pledged Collateral and shall be relieved of all responsibility for the Pledged Collateral upon surrendering it to the applicable Pledgor.

(b) Also without limiting the generality of the foregoing, neither the Administrative Agent nor any Representative shall have any obligation or liability under any contract or license by reason of or arising out of this Agreement or the granting to the Administrative Agent of a security interest therein or assignment thereof or the receipt by the Administrative Agent or any Representative of any payment relating to any contract or license pursuant hereto, nor shall the Administrative Agent or any Representative be required or obligated in any manner to perform or fulfill any of the obligations of any Pledgor under or pursuant to any contract or license, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any contract or license, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

Section 14. Severability. If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (a) the other provisions hereof shall remain in full force and effect in such jurisdiction and (b) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

Section 15. No Waiver; Cumulative Remedies. No failure on the part of the Administrative Agent to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the Administrative Agent of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. Neither the Administrative Agent nor any of the other Secured Parties shall be liable for any

failure to collect or realize upon any of the Secured Obligations or any collateral security or guaranty therefor, or any part thereof, or for any delay in so doing, nor shall the Administrative Agent or any of the other Secured Parties be under any obligation to take any action whatsoever with regard thereto. The rights and remedies herein provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights or remedies provided by law.

Section 16. Specific Performance. Each Pledgor agrees that a breach of any of the covenants contained in Sections 2(b), 4, 5(c), 6, 10 or 12 hereof will cause irreparable injury to the Secured Parties, that the Secured Parties have no adequate remedy at law in respect of such breach and, as a consequence, agrees, without limiting the right of the Administrative Agent to seek and obtain specific performance of other obligations of such Pledgor contained in this Agreement, that each and every covenant referenced above shall be specifically enforceable against such Pledgor, and such Pledgor hereby waives to the fullest extent permitted by law and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that the Secured Obligations have been paid in full and all commitments which could give rise to Secured Obligations have been terminated.

Section 17. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto, the Secured Parties and the respective successors and assigns of the foregoing, provided, that no Pledgor shall assign or transfer its rights hereunder without the prior written consent of the Administrative Agent.

Section 18. Termination. Subject to Section 2.06 of the Credit Agreement, this Agreement and the Liens granted hereunder shall automatically terminate upon Security Termination, whereupon the Administrative Agent shall forthwith cause to be assigned, transferred and delivered, against receipt but without any recourse, warranty or representation whatsoever, any remaining Collateral (including all certificates evidencing the Pledged Collateral in its possession or control) to or on the order of the Pledgors. The Administrative Agent, at the Pledgors' expense, shall also execute and deliver to the Pledgors upon such termination such UCC termination statements and such other documentation as shall be reasonably requested by the Pledgors to effect the termination and release of the Liens in favor of the Administrative Agent created hereby.

Section 19. Possession of Pledged Collateral. Beyond the exercise of reasonable care to assure the safe custody of the Pledged Collateral in the physical possession of the Administrative Agent pursuant hereto, neither the Administrative Agent nor any nominee of the Administrative Agent shall have any duty or liability to collect any sums due in respect thereof or to protect, preserve or exercise any rights pertaining thereto, and shall be relieved of all responsibility for the Pledged Collateral upon surrendering them to the applicable Pledgor.

Section 20. Survival of Representations. All representations and warranties of each Pledgor contained in this Agreement shall survive the execution and delivery of this Agreement.

Section 21. Expenses. The Pledgors shall reimburse the Administrative Agent and the other Secured Parties upon demand for all reasonable and documented out-of-pocket legal, accounting, appraisal, consulting, and other reasonable and documented out-of-pocket fees, costs

and expenses incurred by the Administrative Agent and the other Secured Parties in connection with the preparation, execution, delivery, administration, collection and enforcement of this Agreement and in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral in accordance with the terms of the Credit Agreement to the extent provided for in Section 12.03 of the Credit Agreement). Any and all costs and expenses incurred by the Pledgors in the performance of actions required pursuant to the terms hereof shall be borne solely by the Pledgors. Any taxes and stamp duties payable or ruled payable by and domestic or foreign Governmental Authority in respect of this Agreement shall be borne solely by the Pledgors, together with related interest, penalties, fines and expenses, if any.

Section 22. Attorney-In-Fact. Each Pledgor hereby irrevocably appoints the Administrative Agent as such Pledgor's attorney-in-fact until termination of this Agreement in accordance with the terms hereof, effective upon the occurrence and during the continuance of an Event of Default, with full authority in the place and stead of such Pledgor and in the name of such Pledgor or otherwise, from time to time in the Administrative Agent's discretion, to take any action and to execute any instrument that the Administrative Agent deems reasonably necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to such Pledgor representing any dividend, payment or other distribution in respect of the Pledged Collateral or any part thereof and to give full discharge for the same, when and to the extent permitted by this Agreement.

Section 23. Notices. All notices, demands and requests that any party is required or elects to give to any other party shall be given in accordance with the provisions of Section 12.01 of the Credit Agreement, and if given (i) to the Administrative Agent, shall be given to it at its address specified in the Credit Agreement or as otherwise specified by the Administrative Agent in writing, and (ii) to any Pledgor shall be given to it the address specified in the Credit Agreement for such Pledgor or as otherwise specified by such Pledgor in writing.

Section 24. Governing Law; Consent to Forum.

(a) **THIS AGREEMENT AND ALL CLAIMS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES EXCEPT FEDERAL LAWS RELATING TO NATIONAL BANKS.**

(b) **EACH PLEDGOR HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN OR WITH JURISDICTION OVER TEXAS, IN ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING RELATING IN ANY WAY TO THIS AGREEMENT, AND AGREES THAT ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. EACH PLEDGOR IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL CLAIMS, OBJECTIONS AND DEFENSES THAT IT MAY HAVE REGARDING ANY SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE OR INCONVENIENT FORUM.**

EACH PLEDGOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND EACH PLEDGOR AND THE ADMINISTRATIVE AGENT CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 12.01 OF THE CREDIT AGREEMENT. A final judgment in any proceeding of any such court shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or any other manner provided by applicable law.

(c) Nothing herein shall limit the right of the Administrative Agent or any Secured Party to bring proceedings against any Pledgor in any other court, nor limit the right of any party to serve process in any other manner permitted by applicable law. Nothing in this Agreement shall be deemed to preclude enforcement by the Administrative Agent of any judgment or order obtained in any forum or jurisdiction.

Section 25. WAIVERS BY PLEDGORS. **TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW BUT WITHOUT LIMITATION OF ANY RIGHTS AFFORDED SUCH PLEDGOR AS A BORROWER OR GUARANTOR UNDER THE CREDIT AGREEMENT, EACH PLEDGOR WAIVES (A) THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING OR DISPUTE OF ANY KIND RELATING IN ANY WAY TO ANY LOAN DOCUMENTS, SECURED OBLIGATIONS OR COLLATERAL; (B) PRESENTMENT, DEMAND, PROTEST, NOTICE OF PRESENTMENT, DEFAULT, NON-PAYMENT, MATURITY, RELEASE, COMPROMISE, SETTLEMENT, EXTENSION OR RENEWAL OF ANY COMMERCIAL PAPER, ACCOUNTS, DOCUMENTS, INSTRUMENTS, CHATTEL PAPER AND GUARANTIES AT ANY TIME HELD BY THE ADMINISTRATIVE AGENT ON WHICH A PLEDGOR MAY IN ANY WAY BE LIABLE, AND HEREBY RATIFIES ANYTHING THE ADMINISTRATIVE AGENT MAY DO IN THIS REGARD AFTER THE OCCURRENCE AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT; (C) NOTICE PRIOR TO TAKING POSSESSION OR CONTROL OF ANY COLLATERAL AFTER THE OCCURRENCE AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT; (D) ANY BOND OR SECURITY THAT MIGHT BE REQUIRED BY A COURT PRIOR TO ALLOWING THE ADMINISTRATIVE AGENT TO EXERCISE ANY RIGHTS OR REMEDIES AFTER THE OCCURRENCE AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT; (E) THE BENEFIT OF ALL VALUATION, APPRAISEMENT AND EXEMPTION LAWS; (F) ANY CLAIM AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER OR ANY OTHER SECURED PARTY, ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) IN ANY WAY RELATING TO ANY ENFORCEMENT ACTION, SECURED OBLIGATIONS, LOAN DOCUMENTS OR TRANSACTIONS RELATING THERETO; AND (G) NOTICE OF ACCEPTANCE HEREOF.** Each Pledgor acknowledges that the foregoing waivers are a material inducement to the Administrative Agent, on behalf of the Secured Parties, entering into this Agreement and that it is relying upon the foregoing in its dealings with Pledgors. Each Pledgor has reviewed the foregoing waivers with its legal counsel and has knowingly and voluntarily waived its jury trial and other rights following consultation with legal counsel. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

Section 26. Waiver of Right of Setoff. All sums payable by the Pledgors hereunder or under the Notes and the other Loan Documents shall be paid without notice, demand, counterclaim, setoff, deduction or defense, and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of the Pledgors hereunder and thereunder shall in no way be released, discharged or otherwise affected, except as expressly provided herein, by reason of (a) any damage to or destruction of or any taking, or transfer in lieu thereof, of the Pledged Collateral or any part thereof; (b) any restriction or prevention of or interference with any use of the Pledged Collateral or any part thereof; (c) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to any Pledgor or Issuer or any action taken with respect to this Agreement or the other Loan Documents by any trustee or receiver of any Pledgor or Issuer, or by any court in such proceeding; (d) any claim which any Pledgor has or might have against the Administrative Agent or any other Secured Party; or (e) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not the Pledgors shall have notice or knowledge of any of the foregoing. No portion of the Secured Obligations shall be or be deemed to be offset or compensated by all or any part of any claim, cause of action, counterclaim or cross-claim, whether liquidated or unliquidated, which any Pledgor may presently have or claim to have against the Administrative Agent or any other Secured Party. Each Pledgor hereby waives, to the fullest extent permitted by applicable law, any right of setoff it may have or to which it may be entitled under this Agreement, the other Loan Documents or any applicable law from time to time against the Administrative Agent, any other Secured Party or their respective assets. Except as expressly provided herein, each Pledgor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by such Pledgor.

Section 27. Amendments, Etc. The terms of this Agreement may be waived, altered or amended only by an instrument in writing in accordance with Section 12.02(b) of the Credit Agreement. Any such amendment or waiver shall be binding upon the Administrative Agent and each Pledgor and their respective successors and assigns.

Section 28. Counterparts; Headings; Execution. This Agreement may be authenticated in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may authenticate this Agreement by signing any such counterpart. This Agreement may be authenticated by manual signature, facsimile or, if approved in writing by the Administrative Agent, electronic means, all of which shall be equally valid. The headings in this Agreement are for convenience of reference only and shall not alter or otherwise affect the meaning hereof. Any electronic signature, contract formation on an electronic platform and electronic record-keeping shall have the same legal validity and enforceability as a manually executed signature or use of a paper-based recordkeeping system to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act or any state law based on the Uniform Electronic Transactions Act.

Section 29. Entire Agreement. This Agreement embodies the entire agreement and understanding between the Pledgors and the Administrative Agent with respect to the subject matter hereof and supersedes all prior oral and written agreements and understandings between any Pledgor and the Administrative Agent relating to the subject matter hereof. This Agreement

supplements the other Loan Documents and nothing in this Agreement shall be deemed to limit or supersede the rights granted to the Administrative Agent or the other Secured Parties in any other Loan Document. In the event of any conflict or inconsistency between this Agreement and the Credit Agreement, the provisions of the Credit Agreement shall govern and control.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement to be duly executed and delivered as of the day and year first above written.

PLEDGORS:

BERRY PETROLEUM COMPANY, LLC

By: /s/ Steven B. Wilson
Name: Steven B. Wilson
Title: Chief Financial Officer

BERRY PETROLEUM CORPORATION

By: /s/ Steven B. Wilson
Name: Steven B. Wilson
Title: Chief Financial Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent and a Lender

By: /s/ Patrick J. Fults
Name: Patrick J. Fults
Title: Director

Exhibit A
to Pledge Agreement

Pledgor	Issuer	Certificate No.	No. of Shares	Class of Shares	% of Issued Shares of such Class of Issuer or other Equity Interest Pledged
Berry Petroleum Corporation	Berry Petroleum Company, LLC	1	n/a	Membership Interests	100%
Berry Petroleum Company, LLC	Lake Canyon Transportation and Gathering, LLC	n/a	n/a	Membership Interests	37.5%

Exhibit B
to Pledge Agreement

Addendum to Pledge Agreement

The undersigned, being a Pledgor pursuant to that certain Pledge Agreement dated as of February 28, 2017 (the "Pledge Agreement") in favor of Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent"), by executing this Addendum, hereby acknowledges that such Pledgor legally and beneficially owns capital stock as set forth below of [_____], a [_____][_____] ("Entity"). Capitalized terms used but not defined herein have the meanings given them in the Pledge Agreement. Such Pledgor hereby agrees and acknowledges that Entity is an Issuer pursuant to the Pledge Agreement and the Shares (as hereinafter defined) shall be deemed Pledged Shares pursuant to the Pledge Agreement. Such Pledgor hereby represents and warrants to the Administrative Agent and the other Secured Parties that (i) all of the capital stock or shares of Entity now owned by such Pledgor ("Shares") is presently represented by the stock or share certificates listed below to the extent applicable, which stock or share certificates, with undated Equity Interest Powers duly executed in blank by such Pledgor, Irrevocable Proxies and Registration Pages are being delivered to the Administrative Agent, simultaneously herewith, and (ii) after giving effect to this Addendum, the representations and warranties set forth in Section 3 of the Pledge Agreement are true, complete and correct with respect to the undersigned Pledgor and the Pledged Shares described herein as of the date hereof.

Pledged Shares

Pledgor	Issuer	Certificate No.	No. of Shares	Class of Shares	% of Issued Shares of such Class of Issuer or other Equity Interest Pledged

IN WITNESS WHEREOF, Pledgor has executed this Addendum this ____ day of _____, 20__.

PLEDGOR:

_____

By: _____
Its: _____

Exhibit C
to Pledge Agreement

Joinder to Pledge Agreement

The undersigned, _____, a _____ _____, as of the __ day of ____, 20__, hereby joins in the execution of that certain Pledge Agreement dated as of February 28, 2017 (as the same may be amended, restated, supplemented or otherwise modified and in effect from time to time, the "Pledge Agreement") by Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation a Delaware corporation ("Parent Guarantor" together with the Borrower and each Person who becomes a party to this Agreement by execution of a joinder in the form of Exhibit C thereto, collectively the "Pledgors" and each individually a "Pledgor"), in favor of Wells Fargo Bank, National Association, as administrative agent (in such capacity, together with its successors in such capacity, the "Administrative Agent"), for the benefit of the Secured Parties. Capitalized terms used but not defined herein have the meanings given them in the Pledge Agreement. By executing this Joinder, the undersigned hereby agrees that it is a Pledgor thereunder and agrees to be bound by all of the terms and provisions of the Pledge Agreement.

The undersigned represents and warrants to the Administrative Agent and the other Secured Parties that the undersigned is the record and beneficial owner of, and has legal title to, the Equity Interests set forth below.

_____, a _____

By: _____
Name: _____
Title: _____

Pledged Shares

Pledgor	Issuer	Certificate No.	No. of Shares	Class of Shares	% of Issued Shares of such Class of Issuer or other Equity Interest Pledged

Exhibit D
to Pledge Agreement

Issuer's Acknowledgement

Each of the undersigned hereby (i) acknowledges receipt of a copy of that certain Pledge Agreement dated as of February 28, 2017 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Pledge Agreement"; capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Pledge Agreement), made by the Pledgors party thereto and Wells Fargo Bank, National Association, as administrative agent for the Secured Parties (in such capacity and together with any successors in such capacity, the "Administrative Agent"), (ii) subject to the provisions of the Pledge Agreement, agrees that it will comply with instructions of the Administrative Agent or its nominee with respect to the applicable Pledged Collateral without further consent by the applicable Pledgor, (iii) to the extent permitted by law, agrees that the "issuer's jurisdiction" (as defined in Section 8-110 of the UCC) is the State of [Delaware], U.S.A., (iv) agrees to notify the Administrative Agent upon obtaining knowledge of any interest in favor of any person in the applicable Pledged Collateral that is adverse to the interest of the Administrative Agent therein and (v) waives any right or requirement at any time hereafter to receive a copy of the Pledge Agreement in connection with the registration of any Pledged Collateral thereunder in the name of the Administrative Agent or its nominee or the exercise of voting rights by the Administrative Agent or its nominee. The undersigneds each hereby acknowledge and agree that upon the delivery of any certificates representing the Pledged Shares issued by the undersigned endorsed to the Administrative Agent or in blank, or to the extent the Pledged Shares are not represented by certificates, upon the execution and delivery of this acknowledgement by the parties hereto, the Administrative Agent shall have control over the Pledged Shares.

[ISSUER]

By: _____
Name: _____
Title: _____

Exhibit E
to Pledge Agreement

Equity Interest Power

FOR VALUE RECEIVED, the undersigned, _____ a _____ ("Pledgor"), does hereby sell, assign and transfer to _____* all of its Equity Interests (as hereinafter defined) represented by Certificate No(s).____* in_____, a _____ ("Issuer") standing in the name of Pledgor on the books of said Issuer. Pledgor does hereby irrevocably constitute and appoint _____*, as attorney, to transfer the Equity Interests in said Issuer with full power of substitution in the premises. The term "Equity Interest" means any security, share, unit, partnership interest, membership interest, ownership interest, equity interest, option, warrant, participation, "equity security" (as such term is defined in Rule 3(a)11-1 of the General Rules and Regulations of the Securities Exchange Act of 1934, as amended, or any similar statute then in effect, promulgated by the Securities and Exchange Commission and any successor thereto) or analogous interest (regardless of how designated) of or in a corporation, partnership, limited partnership, limited liability company, business trust or other entity, of whatever nature, type, series or class, whether voting or nonvoting, certificated or uncertificated, common or preferred, and all rights and privileges incident thereto.

Dated: _____*

PLEDGOR:

_____

By: _____
Name: _____
Title: _____

* To Remain Blank

Exhibit F
to Pledge Agreement

Irrevocable Proxy

(Interests of [Issuer])

For good and valuable consideration, receipt of which is hereby acknowledged, the undersigned hereby irrevocably (to the fullest extent permitted by law) appoints and constitutes WELLS FARGO BANK, NATIONAL ASSOCIATION in its capacity as Administrative Agent for the Lenders (the "Proxy Holder") under the Credit Agreement dated as of February [__], 2017 to which it, **[the Company]** (as defined below), the other Obligors party thereto and the Lenders are party, as amended, restated, modified or supplemented from time to time (the "Credit Agreement"), the attorney and proxy of the undersigned with full power of substitution and resubstitution, to the full extent of the undersigned's rights with respect to all of the Pledged Collateral (as defined in the Pledge Agreement, defined below) which constitute the shares or other equity interests (the "Interests") of _____ (the "Company"). Upon the execution hereof, all prior proxies given by the undersigned with respect to any of the Interests are hereby revoked, and no subsequent proxies will be given with respect to any of the Interests.

This proxy is irrevocable, is coupled with an interest and is granted pursuant to that certain Pledge Agreement dated as of February 28, 2017 (the "Pledge Agreement") in favor of the Proxy Holder, for the benefit of the Secured Parties, in consideration of the credit extended pursuant to the Credit Agreement. Capitalized terms used herein but not otherwise defined in this irrevocable proxy have the meanings ascribed to such terms in the Pledge Agreement.

The Proxy Holder named above will be empowered and may exercise this irrevocable proxy to vote the Interests at any and all times after the occurrence and during the continuation of an Event of Default, including but not limited to, at any meeting of the shareholders or members of the Company, after such time however called, and at any adjournment thereof, or in any written action by consent of the shareholders or members of the Company. This proxy shall remain in effect with respect to the Interests until Security Termination, and will continue to be effective or automatically reinstated, as the case may be, if at any time payment, in whole or in part, of any of the Secured Obligations is rescinded or must otherwise be restored or returned by the Proxy Holder for any reason including as a preference, fraudulent conveyance or otherwise under any bankruptcy, insolvency or similar law, all as though such payment had not been made (provided, that in the event payment of all or any part of the Secured Obligations is rescinded or must be restored or returned, all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Proxy Holder in defending and enforcing such reinstatement shall be deemed to be included as a part of the Secured Obligations), notwithstanding any time limitations set forth in the operating agreement and other organizational documents of the Company or the limited liability company act of the State of _____.

Any obligation of the undersigned hereunder shall be binding upon the heirs, successors and assigns of the undersigned (including any transferee of any of the Interests).

IN WITNESS WHEREOF, the undersigned has executed this irrevocable proxy as of this ____ day of_____, _____.

_____

By _____
Print Name _____
Title _____

Exhibit G
to Pledge Agreement

Registration Page

[Issuer]

[Membership Interest][Stock] Ledger as of _____, ___*

NAME	CERTIFICATE NO.	NUMBER OF INTERESTS

Acknowledged By:

[Issuer]

By _____
Print Name _____
Title _____

* To Remain Blank - Not Completed at Closing

Exhibit 10.16

Execution Version

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is dated as of February 28, 2017, by Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation ("Parent Guarantor" and together with the Borrower and each Person who becomes a party to this Agreement by execution of a joinder in the form of Exhibit A hereto, collectively the "Debtors", and each individually a "Debtor"), in favor of Wells Fargo Bank, National Association, as administrative agent (in such capacity, together with its successors in such capacity, the "Administrative Agent"), for the benefit of the Secured Parties.

W I T N E S S E T H:

WHEREAS, pursuant to that certain Credit Agreement of even date herewith among the Borrower, the other Debtors party thereto as guarantors (the "Guarantors"), the lenders from time to time party thereto (the "Lenders"), and the Administrative Agent (as the same may be amended, restated, modified or supplemented and in effect from time to time, the "Credit Agreement"), the Lenders have agreed, subject to the satisfaction of certain conditions precedent, to make Loans to the Borrower;

WHEREAS, contemporaneously herewith the Guarantors are entering into that certain Guaranty Agreement of even date herewith (as the same may be amended, restated, modified or supplemented and in effect from time to time, the "Guaranty") pursuant to which the Guarantors guarantee the obligations of the Borrower and the other Obligors under the Credit Agreement and the other Loan Documents;

WHEREAS, certain Lenders or Affiliates of Lenders have entered into or may hereafter enter into Secured Swap Agreements with one or more Debtors;

WHEREAS, each of the Debtors other than the Borrower is either (i) a direct or indirect owner of the capital stock or shares of the Borrower or (ii) a Subsidiary or Affiliate of the Borrower, will benefit directly and indirectly from the credit facilities made available pursuant to the Credit Agreement and is guaranteeing the Obligations pursuant to the Guaranty;

WHEREAS, to induce Administrative Agent and the Lenders to enter into the Credit Agreement and make available the credit facilities thereunder, and to induce each Secured Swap Party to enter into its respective Secured Swap Agreement, each Debtor has agreed to grant the security interests contemplated by this Agreement in order to secure the payment and performance of the Obligations; and

WHEREAS, it is a condition precedent to the availability of Loans under the Credit Agreement that each Debtor shall have granted the security interests contemplated by this Agreement in order to secure the payment and performance of the Secured Obligations (as defined below).

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and of the Loans, extensions of credit, commitments and other financial accommodations referred to herein, the parties hereto agree as follows:

SECTION 1. Definitions.

1.1 The following terms, as used herein, have the meanings set forth below:

"Agreement" means this Security Agreement, as the same may be amended, restated, modified or supplemented and in effect from time to time in accordance with the terms hereof.

"Collateral" has the meaning assigned to that term in Section 2.

"Control" means: (a) with respect to any Deposit Accounts, control within the meaning of Section 9.104 of the UCC; (b) with respect to any Securities Accounts, Security Entitlements, Commodity Contract or Commodity Account, control within the meaning of Section 9.106 of the UCC; (c) with respect to any Uncertificated Securities, control within the meaning of Section 8.106(c) of the UCC; (d) with respect to any Certificated Security, control within the meaning of Section 8.106(a) or (b) of the UCC; (e) with respect to any Electronic Chattel Paper, control within the meaning of Section 9.105 of the UCC; and (f) with respect to Letter-of-Credit Rights, control within the meaning of Section 9.107 of the UCC.

"Copyright Security Agreement" means, if any, each Copyright Security Agreement executed and delivered by any Debtor to Administrative Agent, as the same may be amended and in effect from time to time.

"Copyrights" means any copyrights, copyright registrations and copyright applications, and all renewals, extensions and continuations of any of the foregoing.

"Debtor Claims" means all debts and obligations of the Borrower or any other Debtor to any Debtor, including but not limited to any obligation of the Borrower or any other Debtor to such Debtor as subrogee of the Secured Parties or resulting from such Debtor's performance under this Agreement, whether such debts and obligations now exist or are hereafter incurred or arise, or whether the obligation of the debtor thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such debts or obligations be evidenced by note, contract, open account, or otherwise, and irrespective of the Person or Persons in whose favor such debts or obligations may, at their inception, have been, or may hereafter be created, or the manner in which they have been or may hereafter be acquired by such Debtor.

"Debtor Relief Laws" means the Bankruptcy Code (Title 11, United States Code), any successor statute or any 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.

"Deposit Account Control Agreement" has the meaning assigned to that term in Section 4.12.

"Excluded Property" means, with respect to a Debtor, (a) any Excluded Account, (b) any equipment or goods that are subject to a "purchase money security interest" or a Lien securing a Capital Lease, in each case permitted by the Credit Agreement, but only to the extent that such item of Collateral (or any agreement governing such item of Collateral) contains a term or is subject to a rule of law, statute or regulation that restricts, prohibits, or requires a consent (that has not been obtained) of a Person (other than such Debtor) to, the creation, attachment or perfection of the security interest granted herein, and any such restriction, prohibition and/or requirement of consent is effective and enforceable under applicable law and is not rendered ineffective by applicable law (including, without limitation, pursuant to Sections 9.406, 9.407, 9.408 or 9.409 of the UCC), (c) "intent-to-use" Trademarks to the extent that, and solely during the period in which, the grant, attachment or enforcement of a security interest therein would, under applicable federal law, impair the registrability of such applications or the validity or enforceability of registrations issuing from such applications, (d) any item of General Intangibles that is now or hereafter held by such Debtor but only to the extent that such item of General Intangibles (or any agreement evidencing such item of General Intangibles) contains a term or is subject to a rule of law, statute or regulation that restricts, prohibits, or requires a consent (that has not been obtained) of a Person (other than such Debtor) to, the creation, attachment or perfection of the security interest granted herein, and any such restriction, prohibition and/or requirement of consent is effective and enforceable under applicable law and is not rendered ineffective by applicable law (including, without limitation, pursuant to Sections 9.406, 9.407, 9.408 or 9.409 of the UCC), and (e) any property to the extent the grant or maintenance of a Lien on such property (i) is prohibited by any Governmental Requirement, (ii) could reasonably be expected to result in material adverse tax consequences to the Borrower or any Subsidiary of the Borrower, (iii) requires a consent refused by any Governmental Authority pursuant to applicable law; provided, however, that (x) Excluded Property shall not include any Proceeds of any Excluded Property if such Proceeds do not otherwise constitute Excluded Property, and (y) any such Collateral that at any time ceases to satisfy the criteria for Excluded Property (whether as a result of the applicable Debtor obtaining any necessary consent, any change in any rule of law, statute or regulation, or otherwise), shall no longer be Excluded Property.

"Federal Registration Collateral" means Collateral with respect to which Liens may be registered, recorded or filed under, or notice thereof given under, any federal statute or regulation.

"Hydrocarbons" means oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined therefrom and all other minerals extracted or otherwise derived from Oil and Gas Properties.

"Indemnified Parties" has the meaning given to that term in Section 13.

"Intellectual Property" means, collectively, all Copyrights, Patents and Trademarks.

"Patent Security Agreement" means, if any, each Patent Security Agreement executed and delivered by any Debtor to Administrative Agent, as the same may be amended and in effect from time to time.

"Patents" means any patents and patent applications and all renewals, extensions and continuations of any of the foregoing.

"Permitted Liens" means liens permitted under Section 9.03 of the Credit Agreement.

"Secured Obligations" means the Obligations (as defined in the Credit Agreement), the Guaranteed Obligations (as defined in the Guaranty Agreement) and all other obligations and indebtedness of any Debtor now or hereafter arising under the Loan Documents.

"Securities Account Control Agreement" has the meaning given to that term in Section 4.11.

"Security Interests" means the security interests granted or provided for pursuant to Section 2 hereof and pursuant to any Copyright Security Agreements, Patent Security Agreements and Trademark Security Agreements, as well as all other security interests created, assigned or provided as additional security for the Secured Obligations pursuant to the provisions of this Agreement or any of the other Loan Documents.

"Security Termination" means such time at which each of the following events shall have occurred on or prior to such time: (a) all Commitments have terminated or expired; (b) the Credit Agreement has terminated; (c) all Secured Obligations (other than obligations under any Secured Swap Agreement and other than indemnities and other contingent obligations not then due and payable and as to which no claim has been made as of the time of determination) have been indefeasibly paid in full in cash; (d) all Secured Swap Agreements have been terminated and paid in full, novated or the applicable Debtor has provided substitute collateral to the Secured Swap Party thereunder to the extent provided under the applicable Secured Swap Agreement (or as to which other arrangements satisfactory to the applicable Secured Swap Party shall have been made); and (e) all Letters of Credit have expired or terminated or the LC Exposure has been cash collateralized (or as to which other arrangements satisfactory to the applicable Debtor and the Issuing Bank shall have been made), as provided for in the Credit Agreement.

"Trademark Security Agreement" means, if any, each Trademark Security Agreement executed and delivered by any Debtor to Administrative Agent, as the same may be amended and in effect from time to time.

"Trademarks" means any trademarks, trademark registrations, and trademark applications, all renewals, extensions and continuations of any of the foregoing and all goodwill attributable to any of the foregoing.

"UCC" means the Uniform Commercial Code as from time to time in effect in the State of Texas; provided, however, that, in the event that, by reason of mandatory provisions of law, any of the attachment, perfection or priority of Administrative Agent's and the other Secured Parties' security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Texas, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection, priority or the effect thereof and for purposes of definitions related to such provisions.

1.2 Other Definition Provisions. References to "Sections" or "Schedules" shall be to Sections or Schedules of this Agreement unless otherwise specifically provided. For purposes hereof, "including" is not limiting and "or" is not exclusive. Except as provided by the immediately following sentence, capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided for in the Credit Agreement. All capitalized terms defined in the UCC and not otherwise defined herein shall have the respective meanings provided for by the UCC. Any of the terms defined in Section 1.1 may, unless the context otherwise requires, be used in the singular or the plural depending on the reference. All references to statutes and related regulations shall include any amendments of same and any successor statutes and regulations.

SECTION 2. Grant of Security Interests.

2.1 To secure the payment and performance of the Secured Obligations, each Debtor hereby grants to Administrative Agent, for its benefit and the benefit of the other Secured Parties, a lien on and security interest in any and all right, title and interest in and to any and all property and interests in property of such Debtor, whether now owned or existing or hereafter created, acquired or arising, including all of the following properties and interests in properties, whether now owned or hereafter created, acquired or arising (all being collectively referred to herein as the "Collateral"):

(a) Accounts;

(b) Chattel Paper (whether Tangible Chattel Paper or Electronic Chattel Paper);

(c) Commercial Tort Claims, including without limitation those Commercial Tort Claims in which such Debtor has any interest specified on Schedule 3.8;

(d) Deposit Accounts, all cash, and other property deposited therein or otherwise credited thereto from time to time and other monies and property in the possession or under the control of Administrative Agent or any Secured Party or any affiliate, representative, agent or correspondent of Administrative Agent or any Secured Party;

(e) Documents;

(f) General Intangibles (including without limitation any and all Intellectual Property and any and all rights in and under any Swap Agreement) and all rights under insurance contracts and rights to insurance proceeds;

(g) Goods, including without limitation any and all Inventory, Equipment and Fixtures;

(h) Instruments;

(i) Investment Property, and all dividends, distributions, return of capital, interest, distributions, value, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any investment property and all subscription warrants, rights or options issued thereon or with respect thereto;

(j) Letter-of-Credit Rights (whether or not the letter of credit is evidenced by a writing);

(k) As-Extracted Collateral, including without limitation the Hydrocarbons or accounts resulting from the sale thereof at the wellhead or minehead;

(l) Supporting Obligations;

(m) any and all other personal property and interests in property whether or not subject to the UCC;

(n) any and all books and records, in whatever form or medium, that at any time evidence or contain information relating to any of the foregoing properties, interests in properties or any oil, gas or mineral properties and interests, or that are otherwise necessary or helpful in the collection thereof or realization thereon;

(o) all Accessions and additions to, and substitutions and replacements of, any and all of the foregoing; and

(p) all Proceeds and products of the foregoing, all insurance pertaining to the foregoing and proceeds thereof and all collateral security and guarantees given with respect to any of the foregoing.

For the avoidance of doubt, the lien and security interest granted pursuant to this Section 2.1 shall not apply to (i) Excluded Property or (ii) any property or asset to the extent the burden of perfection would exceed the benefit to the Secured Parties in the reasonable written determination of Administrative Agent (including, without limitation, (y) the annotation of vehicle and other titles to reflect the Liens granted by the Loan Documents; and (z) obtaining the consent of any Governmental Authority that is a tribal nation to the grant or maintenance of a Lien on such property).

2.2 The security interest created hereby in the Collateral secures the payment and performance of all Secured Obligations. Without limiting the generality of the foregoing, this Agreement secures, as to each Debtor, the payment of all amounts that constitute part of the Secured Obligations and would be owed by any Debtor to any Secured Party under the Loan Documents but for the fact that they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving a Debtor.

2.3 This Agreement is executed and granted for the pro rata benefit and security of Administrative Agent and the other Secured Parties as security for the Secured Obligations until Security Termination has occurred; it being understood and agreed that possession of any Note (or any replacements of any said Note) at any time by the Borrower or any other Debtor shall not in any manner extinguish the Secured Obligations, such Notes or this Agreement securing payment thereof, and the Borrower shall have the right to issue and reissue any of the Notes from time to time as its interest or as convenience may require, without in any manner extinguishing or affecting the Secured Obligations, the obligations under any of the Notes, or the security of this Agreement.

2.4 Without limiting any other provision of this Agreement, as additional security hereunder, Debtors have absolutely and unconditionally granted, assigned, transferred and conveyed, and do hereby absolutely and unconditionally grant, assign, transfer and convey unto the Administrative Agent, for its benefit and the benefit of Lenders all of the As-extracted Collateral relating to the Hydrocarbons and all products obtained or processed therefrom, and the revenues and proceeds now and hereafter attributable to the Hydrocarbons and said products and all payments in lieu of the Hydrocarbons such as "take or pay" payments or settlements. If an Event of Default shall occur, then at the election of the Administrative Agent the Hydrocarbons and products are to be delivered into pipe lines connected with any Oil and Gas Property, or to the purchaser thereof, to the credit of the Administrative Agent, for its benefit and the benefit of Lenders; and all such revenues and proceeds shall be paid directly to the Administrative Agent, at its banking headquarters in Houston, Texas, with no duty or obligation of any party paying the same to inquire into the rights of the Administrative Agent to receive the same, what application is made thereof, or as to any other matter. Debtors agree to perform all such acts, and to execute all such further assignments, transfers and division orders and other instruments as may be required or desired by the Administrative Agent or any party in order to have said proceeds and revenues so paid to the Administrative Agent. The Administrative Agent is fully authorized to receive and give receipt for said revenues and proceeds; to endorse and cash any and all checks and drafts payable to the order of Debtors or the Administrative Agent for the account of Debtors received from or in connection with said revenues or proceeds and to hold the proceeds thereof in a bank account as additional Collateral securing the Secured Obligations; and to execute transfer and division orders in the names of Debtors, or otherwise, with warranties binding Debtors. The Administrative Agent shall not be liable for any delay, neglect or failure to effect collection of any proceeds or to take any other action in connection therewith or hereunder; but the Administrative Agent shall have the right, at its election, in the names of Debtors or otherwise, to prosecute and defend any and all actions or legal proceedings deemed advisable by the Administrative Agent in order to collect such funds and to protect the interests of the Administrative Agent and/or Debtors, with all costs, expenses and attorneys' fees incurred in connection therewith being paid by Debtors. Debtors hereby appoint the Administrative Agent as Debtors' attorney-in-fact to pursue any and all rights of Debtors to liens on and security interests in the Hydrocarbons securing payment of proceeds of runs attributable to the Hydrocarbons. In addition to the rights granted to the Administrative Agent in Section 2.1, Debtors hereby further transfer and assign to the Administrative Agent any and all such liens, security interests, financing statements or similar interests of Debtors attributable to Debtors' interest in the Hydrocarbons and proceeds of runs therefrom arising under or created by statutory provision, judicial decision or otherwise. The power of attorney granted to Beneficiary in this Section 2.4, being coupled with an interest, shall be irrevocable so long as the Secured Obligations or any part thereof remains unpaid. Until such time as an Event of Default has occurred and is continuing, but subject to the provisions of the Credit Agreement, the Administrative Agent hereby grants to Grantors a license to sell, receive and give receipt for proceeds from the sale of Hydrocarbons, which license shall automatically terminate upon such Event of Default and for so long as the same continues. For the avoidance of doubt, if the foregoing license is terminated as a result of an occurrence of an Event of Default, such license shall be automatically reinstated if such Event of Default is waived pursuant to the terms of the Credit Agreement. Nothing herein contained shall modify or otherwise alter the obligation of the Borrower to make prompt payment of all principal and interest owing on the Obligations when and as the same become due

regardless of whether the proceeds of the Hydrocarbons are sufficient to pay the same and the rights provided in accordance with the foregoing assignment provision shall be cumulative of all other security of any and every character now or hereafter existing to secure payment of the Obligations.

SECTION 3. Representations and Warranties.

Each Debtor represents and warrants to Administrative Agent and to each other Secured Party as follows:

3.1 Binding Obligation; Perfection. This Agreement constitutes a valid and binding obligation of such Debtor, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, or similar laws relating to the enforcement of creditors' rights generally and by general equitable principles. Administrative Agent has a valid and perfected first priority security interest (subject to Permitted Liens) in the Collateral to the extent a lien in such Collateral can be perfected by the filing of a UCC-1 financing statement in the Secretary of State office of such Debtor's state of incorporation or formation, securing the payment of the Secured Obligations, and such Security Interests are entitled to all of the rights, priorities and benefits afforded by the UCC or other applicable law as enacted in any relevant jurisdiction which relates to perfected security interests.

3.2 Collateral Locations. For each Debtor, Schedule 3.2 sets forth as of the closing date all addresses at which any personal property Collateral (as described in Section 2.1(m) above) with value in excess of $2,000,000 is located, indicating for each whether such location is owned or leased by the applicable Debtor, or owned or operated by a third-party such as a warehouseman, consignee or processor, other than Collateral in transit or out for repair, in each case in the ordinary course of business or other immaterial Collateral in the temporary possession of employees and other third parties in the ordinary course of business; provided, however, that this Section 3.2 shall not apply to locations at which any Debtor primarily holds interests in Oil and Gas Properties to the extent set forth in the Initial Reserve Report or other Security Instruments. Schedule 3.2 indicates which of the foregoing addresses serves as each Debtor's chief executive office.

3.3 Existing Liens. Except for Permitted Liens, each Debtor owns its respective Collateral, and will own all after-acquired Collateral, free and clear of any Lien. No effective financing statement or other form of lien notice covering all or any part of the Collateral is on file in any recording office, except for those pertaining to Permitted Liens or those filed in favor of Administrative Agent relating to this Agreement or as to which a duly authorized termination statement relating to such UCC financing statement or other instrument has been delivered to Administrative Agent on the Closing Date.

3.4 Governmental Authorizations; Consents. No authorization, approval or other action by, and no notice to or filing with, any Governmental Authority or consent of any other Person is required for (i) the grant by any Debtor of the Security Interests granted hereby or for the execution, delivery or performance of this Agreement by any Debtor; or (ii) the exercise by Administrative Agent of its rights and remedies hereunder (except as may have been accomplished by or at the direction of a Debtor or Administrative Agent). Except for (a) the

filing of UCC financing statements with the Secretary of State of each Debtor's jurisdiction of organization, (b) the filing of any necessary registrations, recordations or notices, as applicable, in respect of any Federal Registration Collateral, (c) delivery of sufficient identification to Administrative Agent of Commercial Tort Claims, (d) consent of the issuer with respect to Letter-of-Credit Rights, (e) execution and delivery of (1) Deposit Account Control Agreements in respect of Deposit Accounts and (2) Securities Account Control Agreement in respect of Securities Accounts, and (f) the establishment of control (as defined in any applicable Section of the UCC) with respect to any other Collateral in which a security interest may be perfected by such control no authorization, approval or other action by, and no notice to or filing with, any Governmental Authority or consent of any other Person is required for the perfection of the Security Interests granted hereby and pursuant to any other Loan Documents.

3.5 Accounts. All material amounts represented by each Debtor to Administrative Agent as owing by Account Debtors, are the correct amounts actually and unconditionally owing, except (i) for normal cash discounts and allowances where applicable and (ii) for such amounts the failure of which to be correct could not result in or have a Material Adverse Effect. No Account Debtor has any defense, set-off, claim or counterclaim against any Debtor that can be asserted against Administrative Agent, whether in any proceeding to enforce Administrative Agent's rights in the Collateral or otherwise except defenses, setoffs, claims or counterclaims that are not, in the aggregate, material to the value of the Accounts. In the event that a Debtor receives a promissory note or other Instrument with a value in excess of $2,000,000 payable in respect of the Accounts, the Borrower shall (i) notify Administrative Agent within thirty (30) days of such receipt (or such later date as Administrative Agent may agree to in its sole discretion) and (ii) if requested by the Administrative Agent, take all such action(s) as may be necessary to pledge such promissory note or other Instrument as Collateral hereunder and to perfect the Security Interests granted hereby with respect to such Collateral.

3.6 Inventory. No Inventory of any Debtor is subject to any licensing, patent, trademark, trade name or copyright agreement with any Person that restricts any Debtor's or Administrative Agent's ability to manufacture and/or sell the Inventory. The production of the Inventory does not conflict with oil and gas partnership agreements, oil and gas leases, farm-out agreements, division orders, contracts for the sale, transportation or exchange of oil and natural gas, unitization and pooling declarations and agreements, area of mutual interest agreements, overriding royalty agreements, marketing agreements, processing agreements, net profits agreements, development agreements, gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or other geophysical permits or agreements, and other agreements, except as could not reasonably be expected to cause a Material Adverse Effect. None of any Debtor's Inventory has been produced in violation of any provision of the Fair Labor Standards Act of 1938, or in violation of any other law, which violations could reasonably be expected to have a Material Adverse Effect.

3.7 Intellectual Property. As of the date of the last certificate delivered to the Administrative Agent pursuant to Section 4.3(b), the Copyrights, Patents and Trademarks listed on the respective schedules to each of the Copyright Security Agreements, Patent Security Agreements and Trademark Security Agreements executed by a Debtor in connection herewith constitute all of the Collateral consisting of Federal Registration Collateral that is Intellectual

Property owned by each Debtor. All material Intellectual Property owned by any Debtor is valid, subsisting and enforceable and all filings necessary to maintain the effectiveness of such registrations have been made. The execution, delivery and performance of this Agreement by the Debtors will not violate or cause a default under any Intellectual Property or any agreement in connection therewith.

3.8 Certain Collateral Disclosures. Except in each case as set forth on Schedule 3.8, as of the Closing Date, no Debtor has any ownership interest in any Chattel Paper, Letter-of-Credit Rights, Commercial Tort Claims, Documents, or Equipment covered by any certificate of title, in each case, with a face value, fair market value or claimed amount, as applicable, in excess of $2,000,000 individually or, with respect to each type of Collateral, $4,000,000 in the aggregate.

3.9 Control Arrangements. Except for (a) Control arising by operation of law in favor of banks and securities intermediaries having custody over the Deposit Accounts and Securities Accounts set forth on Schedule 3.9 (or otherwise as permitted pursuant to this Agreement) and (b) in respect of Liens of Administrative Agent and Permitted Liens, no Person has Control of any Deposit Accounts, Securities Accounts, Electronic Chattel Paper, Investment Property or Letter-of-Credit Rights in which any Debtor has any interest.

3.10 [Reserved].

3.11 Survival of Representations and Warranties. All representations and warranties of the Debtors contained in this Agreement shall survive the execution and delivery of this Agreement.

SECTION 4. Covenants and Further Assurances.

4.1 Name or Entity Changes. No Debtor shall change its name, type of organization or jurisdiction of organization except as may be permitted under the Credit Agreement.

4.2 Maintenance of Perfected Security Interest. Each Debtor shall take all actions reasonably requested by Administrative Agent to maintain the security interest created by this Agreement as a perfected security interest having at least the priority described in Section 3.1 and shall defend such security interest against the claims and demands of all Persons whomsoever subject to the rights of such Debtor under the Loan Documents to dispose of the Collateral.

4.3 Intellectual Property.

(a) Each Debtor shall concurrently herewith deliver to Administrative Agent each Copyright Security Agreement, Patent Security Agreement and Trademark Security Agreement and all other documents, instruments and other items as Administrative Agent may reasonably request for Administrative Agent to file such agreements with the U.S. Copyright Office and the U.S. Patent and Trademark Office, as applicable.

(b) If any Debtor acquires title to any new or additional Federal Registration Collateral consisting of Intellectual Property or rights thereto, the Borrower shall cause such acquisition to be properly reflected on the immediately subsequent certificate delivered to the Administrative Agent pursuant to Section 8.01(d) of the Credit Agreement.

(c) Each Debtor shall: (i) use commercially reasonable efforts to prosecute, as deemed appropriate in such Debtor's reasonable business judgment, any material Intellectual Property application owned by such Debtor at any time pending; (ii) make application for registration or issuance of all new or additional Intellectual Property as reasonably deemed appropriate by such Debtor; (iii) preserve and maintain all rights in the material Intellectual Property owned by such Debtor to the extent and in a manner determined by such Debtor in the exercise of such Debtor's reasonable business judgment; and (iv) use commercially reasonable efforts to obtain any consents, waivers or agreements that Administrative Agent may reasonably request to enable the Administrative Agent to exercise its remedies with respect to any and all Intellectual Property.

(d) No Debtor shall abandon any right to file a material Intellectual Property application nor shall any Debtor abandon any material pending Intellectual Property application, or material registered Intellectual Property, except as a Debtor may determine in its reasonable business judgment is no longer useful in the operation of its business.

(e) Each Debtor hereby grants to Administrative Agent a non-exclusive license to use all Intellectual Property owned or used by such Debtor to the extent necessary to enable Administrative Agent, effective upon the occurrence and during the continuance of any Event of Default, to realize on the Collateral and any permitted successor or assign to enjoy the benefits of the Collateral. Administrative Agent acknowledges and agrees that the quality of the products with which the licensed Trademarks will be used shall be subject to the Debtor's approval, solely to the extent the retention by the Debtor of such quality approval right is necessary to preserve the validity and enforceability of such Trademarks. This license shall inure to the benefit of Administrative Agent and its permitted successors, assigns and transferees, whether by voluntary conveyance, operation of law, assignment, transfer, foreclosure, deed in lieu of foreclosure or otherwise. Such license is granted free of charge, without requirement that any monetary payment whatsoever including, without limitation, any royalty or license fee, be made to any Debtor or any other Person by Administrative Agent or any Secured Party or any other Person.

4.4 Bailees. No Collateral with a fair market value in excess of $5,000,000 shall at any time be in the possession or control of any warehouseman, consignee, bailee or any of any Debtor's agents or processors without prior written notice to Administrative Agent and the receipt by Administrative Agent, if Administrative Agent has so requested, of warehouse receipts or bailee lien waivers (as applicable) satisfactory to Administrative Agent prior to the commencement of such possession or control or such later date as agreed to by the Administrative Agent. For the avoidance of doubt this Section 4.4 does not apply to Collateral in the possession of freight handlers or other transportation providers.

4.5 Chattel Paper and Instruments. Each Debtor shall deliver, within thirty (30) days (or such later date as Administrative Agent may agree to in its sole discretion) to Administrative Agent all Tangible Chattel Paper and all Instruments with an original face amount in excess of (i) $2,000,000 individually or (ii) with respect to each type of Collateral, $4,000,000 in the aggregate, duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance reasonably satisfactory to Administrative Agent. Upon request by Administrative Agent, each Debtor shall provide Administrative Agent with Control of all Electronic Chattel Paper with a face value in excess of $4,000,000 individually or in the aggregate by having Administrative Agent identified as the assignee of the Records pertaining to the single authoritative copy thereof and otherwise complying with the applicable elements of Control set forth in the UCC. Upon the request by Administrative Agent, each Debtor will mark conspicuously all Chattel Paper and all Instruments held by such Debtor with a legend, in form and substance satisfactory to Administrative Agent, indicating that such Chattel Paper and such Instruments are subject to the Security Interests granted hereby.

4.6 Letters of Credit. Each Debtor shall deliver, within thirty (30) days (or such later date as Administrative Agent may agree to in its sole discretion) to Administrative Agent all Letters of Credit with an original face amount in excess of (i) $2,000,000 individually or (ii) $4,000,000 in the aggregate, duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance reasonably satisfactory to Administrative Agent. Each Debtor shall take any and all actions Administrative Agent may reasonably request, from time to time, to cause Administrative Agent to obtain exclusive Control of any such Letter-of-Credit Rights owned by such Debtor in a manner reasonably acceptable to Administrative Agent.

4.7 Equipment. Upon request of Administrative Agent, upon the occurrence and during the continuance of an Event of Default, each Debtor shall promptly deliver to Administrative Agent any and all certificates of title, applications for title or similar evidence of ownership of all Equipment and shall cause Administrative Agent to be named as lienholder on any such certificate of title or other evidence of ownership.

4.8 Investment Property. Each Debtor shall take any and all actions as Administrative Agent may reasonably request from time to time, to (i) cause Administrative Agent to obtain exclusive Control of any Investment Property that constitutes Collateral owned by such Debtor in a manner reasonably acceptable to Administrative Agent and (ii) (other than Lake Canyon Transportation and Gathering, LLC, except to the extent Lake Canyon Transportation and Gathering LLC is a Subsidiary) obtain from any issuers of Investment Property that constitutes Collateral and such other Persons, for the benefit of Administrative Agent, written confirmation of Administrative Agent's Control over such Investment Property upon terms and conditions reasonably acceptable to Administrative Agent.

4.9 General Intangibles. Each Debtor shall, upon the occurrence and during the continuation of an Event of Default, at the request of the Administrative Agent, use commercially reasonable efforts to obtain any consents, waivers or agreements necessary to enable Administrative Agent to exercise remedies hereunder and under the other Loan Documents with respect to any of such Debtor's rights under any General Intangibles.

4.10 Commercial Tort Claims. Each Debtor shall promptly, but in any event, within thirty (30) days (or such later date as Administrative Agent may agree to in its sole discretion) advise Administrative Agent upon such Debtor becoming aware that it has any interest in Commercial Tort Claims with a claimed amount in excess of (i) $2,000,000 individually or (ii) $4,000,000 in the aggregate. With respect to any Commercial Tort Claim in which any Debtor has any interest, such Debtor shall execute and deliver such documents as Administrative Agent may reasonably request, to create, perfect and protect Administrative Agent's security interest in such Commercial Tort Claim.

4.11 Securities Accounts. Upon request by Administrative Agent, each Debtor agrees to enter into a control agreement ("Securities Account Control Agreement"), in a form reasonably agreed to by Administrative Agent, with each institution with which such Debtor maintains from time to time any Securities Account. Except as expressly permitted by Section 7.22 of the Credit Agreement, no Debtor shall establish any Securities Account with any institution unless prior thereto Administrative Agent and such Debtor shall have entered into a Securities Account Control Agreement with such institution, or unless Administrative Agent shall have waived such requirement. Each Securities Account Control Agreement shall provide, among other things, that the institution maintaining the Securities Account will waive certain rights of setoff and will, from and after receipt by such institution of written notice from Administrative Agent that an Event of Default has occurred and is continuing, transfer all assets held by such institution on behalf of the applicable Debtor, as Administrative Agent may direct.

4.12 Bank Accounts; Collection of Accounts and Payments. Upon request by Administrative Agent, each Debtor agrees to enter into a deposit account control agreement ("Deposit Account Control Agreement"), in a form reasonably agreed to by Administrative Agent, with each financial institution with which such Debtor maintains from time to time any Deposit Account (excluding Excluded Accounts). Except as expressly permitted by Section 7.22 of the Credit Agreement, no Debtor shall establish any Deposit Account (other than any Excluded Account) with any financial institution unless prior thereto Administrative Agent and such Debtor shall have entered into a Deposit Account Control Agreement with such financial institution, or unless Administrative Agent shall have waived such requirement. Each Deposit Account Control Agreement shall provide, among other things, that the financial institution maintaining the Deposit Account will waive certain rights of setoff and will, from and after receipt by such financial institution of written notice from Administrative Agent that an Event of Default has occurred and is continuing, transfer all amounts held by such financial institution on behalf of the applicable Debtor, as Administrative Agent may direct.

4.13 Collateral Generally.

(a) Each Debtor hereby authorizes Administrative Agent to file one or more financing or continuation statements, and amendments thereto (or similar documents required by any laws of any applicable jurisdiction), relating to all or any part of the Collateral without the signature of such Debtor (to the extent such signature is required under the laws of any applicable jurisdiction), which financing statements may describe the Collateral as "all assets" or "all personal property" or words of like import.

(b) Each Debtor will furnish to Administrative Agent, from time to time upon reasonable request, statements and schedules further identifying, updating, and describing the Collateral and such other information, reports and evidence concerning the Collateral as Administrative Agent may reasonably request, all in reasonable detail.

(c) Each Debtor shall give Administrative Agent prompt written notice of any change in such Debtor's chief executive office and principal place of business or of any new location of business.

(d) Each Debtor shall keep books and records relating to the Collateral that are materially full and accurate and upon occurrence and during the continuance of an Event of Default shall stamp or otherwise mark such books and records in such manner as Administrative Agent may reasonably request indicating that the Collateral is subject to the Security Interests granted hereby.

(e) Beyond the safe custody thereof, each Debtor agrees that Administrative Agent shall have no duties concerning the custody and preservation of any Collateral in its possession (or in the possession of any agent or bailee) or with respect to any income thereon or the preservation of rights against prior parties or any other rights pertaining thereto. Administrative Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property. Administrative Agent shall not be liable or responsible for any loss or damage to any of the Collateral, or for any diminution in the value thereof, by reason of the act or omission of any warehouseman, carrier, forwarding agency, consignee or other agent or bailee selected by Administrative Agent in good faith.

(f) Each Debtor assumes all liability and responsibility in connection with the Collateral acquired by it, and the liability of the Debtors to pay the Secured Obligations shall in no way be affected or diminished by reason of the fact that such Collateral may be lost, stolen, damaged, or for any reason whatsoever unavailable to the Debtors.

(g) At any time, in order to comply with any legal requirement in any jurisdiction, or to effect or continue the creation, attachment or perfection of the Liens and security interest granted herein, Administrative Agent may appoint any bank or trust company or one or more other Persons, either to act as co-agent or co-agents, jointly with Administrative Agent, or to act as a separate agent or agents on behalf of Administrative Agent and/or the other Secured Parties, with such of Administrative Agent's power and authority hereunder as may be necessary for the effective operation of the provisions hereof and may be specified in the instrument of appointment.

4.14 Federal Compliance. Each Debtor shall promptly notify Administrative Agent in writing of any Collateral which constitutes a claim against the United States government or any instrumentality or agency thereof, the assignment of which claim is restricted by federal law, and which has a value exceeding $4,000,000 in the aggregate; provided, however, that this Section 4.14 shall not apply to any claims against the Bureau of Land Management or the Bureau of Indian Affairs. Upon the request of Administrative Agent, each Debtor shall take such steps as may be necessary, or that Administrative Agent may reasonably request to comply with any applicable federal assignment of claims laws and other comparable laws.

4.15 Debtors Remain Liable. Anything herein to the contrary notwithstanding: (i) this Agreement shall have no effect on any Debtor's liability or obligations under the contracts and agreements included in the Collateral; (ii) the exercise by Administrative Agent of any of the rights hereunder shall not release any Debtor from any of its duties or obligations under the contracts and agreements included in the Collateral; (iii) neither Administrative Agent nor any Secured Party shall have any obligation or liability under the contracts and agreements included in the Collateral by reason of this Agreement, nor shall Administrative Agent nor any Secured Party be obligated to perform any of the obligations or duties of any Debtor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder; and (iv) neither Administrative Agent nor any Secured Party shall have any liability in contract or tort for any Debtor's acts or omissions.

4.16 Other Documents and Actions. Each Debtor shall, from time to time, at its expense, promptly execute and deliver all further instruments, documents and notices and take all further action that Administrative Agent may reasonably request in order to create, perfect and protect any Security Interests granted hereby, or to enable Administrative Agent to exercise and enforce its rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

SECTION 5. Remedial Provisions.

5.1 Upon the occurrence and during the continuance of an Event of Default, Administrative Agent shall have the right without notice or demand or legal process to: (i) notify the Account Debtor under any Accounts (or any other Person obligated thereon) of the Lien granted upon such Accounts in favor of Administrative Agent and to direct such Account Debtors and other Persons to make payment of all amounts due or to become due or otherwise render performance directly to Administrative Agent; (ii) so long as any of the Secured Obligations have been accelerated, exercise the rights of each Debtor with respect to the obligation of the Account Debtor to make payment or otherwise render performance to the applicable Debtor and with respect to any property that secures the obligations of the Account Debtor or any other Person obligated on the Collateral; and (iii) so long as any of the Secured Obligations have been accelerated, adjust, settle or compromise the amount or payment of such Accounts.

5.2 Upon the occurrence and during the continuance of an Event of Default, Administrative Agent or its attorneys shall have the right without notice or demand or legal process (unless the same shall be required by applicable law), personally, or by an agent, (i) to enter upon, occupy and use any premises owned or leased by any Debtor or where the Collateral is located (or is believed to be located) until the Secured Obligations are paid in full without any obligation to pay rent to any Debtor, to render the Collateral useable or saleable and to remove the Collateral or any part thereof to the premises of Administrative Agent for such time as Administrative Agent may desire in order to effectively collect or liquidate the Collateral and use in connection with such removal any and all services, supplies and other facilities of any Debtor; (ii) to take possession of any Debtor's original books and records, to obtain access to any Debtor's data processing equipment, computer hardware and Software relating to the Collateral and to use all of the foregoing and the information contained therein in any manner Administrative Agent deems appropriate; and (iii) to notify postal authorities to change the address for delivery of any Debtor's mail to an address designated by Administrative Agent and to receive, open and dispose of all mail addressed to any Debtor. If any Debtor's books and

records are prepared or maintained by an accounting service, contractor or other third party agent, each Debtor hereby irrevocably authorizes such service, contractor or other agent, upon notice by Administrative Agent to such Person that an Event of Default has occurred and is continuing, to deliver to Administrative Agent or its designees such books and records, and to follow Administrative Agent's instructions with respect to further services to be rendered.

5.3 If any Event of Default shall have occurred and be continuing, Administrative Agent may exercise in respect of the Collateral, in addition to all other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of Administrative Agent on default under the UCC (whether or not the UCC applies to the affected Collateral) and also may: (i) require any Debtor to, and each Debtor hereby agrees that it will, at its expense and upon request of Administrative Agent forthwith, assemble all or part of the Collateral as directed by Administrative Agent and make it available to Administrative Agent at any place or places designated by Administrative Agent which is reasonably convenient to Administrative Agent in which event each Debtor shall at its own expense (A) forthwith cause the same to be moved to the place or places so designated by Administrative Agent, (B) store and keep any Collateral so delivered to Administrative Agent at such place or places pending further action by Administrative Agent, and (C) while Collateral shall be so stored and kept, provide such guards and maintenance services as shall be necessary to protect the same and to preserve and maintain the Collateral in good condition; (ii) withdraw all cash in any Deposit Account and apply such monies in payment of the Secured Obligations; and (iii) without notice except as specified below, sell, lease, license or otherwise dispose of the Collateral or any part thereof by one or more contracts, in one or more parcels at public or private sale, and without the necessity of gathering at the place of sale of the property to be sold, at any of Administrative Agent's offices or elsewhere, at such time or times, for cash, on credit or for future delivery, and at such price or prices and upon such other terms as Administrative Agent may deem commercially reasonable. Administrative Agent shall have no obligation to marshal any Collateral in favor of any Debtor or any other Obligor.

5.4 Each Debtor agrees that, to the extent notice of sale shall be required by law, a reasonable authenticated notification of disposition shall be a notification given at least ten (10) days prior to any such sale and such notice shall (i) describe Administrative Agent and the applicable Debtors, (ii) describe the Collateral that is the subject of the intended disposition, (iii) state the method of intended disposition, (iv) state that the applicable Debtors are entitled to an accounting of the Secured Obligations and state the charge, if any, for an accounting, and (v) state the time and place of any public disposition or the time after which any private sale is to be made; provided, that no notification need be given to any Debtor if it has authenticated after default a statement renouncing or modifying any right to notification of sale or other intended disposition. At any sale of the Collateral, if permitted by law, Administrative Agent may bid (which bid may be, in whole or in part, in the form of cancellation of indebtedness) for the purchase, lease, license or other disposition of the Collateral or any portion thereof for the account of Administrative Agent (on behalf of the Secured Parties). Administrative Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Administrative Agent may disclaim any warranties that might arise in connection with the sale, lease, license or other disposition of the Collateral and have no obligation to provide any warranties at such time. Administrative Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. To the extent permitted by law, each Debtor hereby specifically waives all rights of redemption, stay or appraisal, which it has or may have under any law now existing or hereafter enacted.

5.5 If an Event of Default has occurred and is continuing, each Debtor hereby irrevocably authorizes and empowers Administrative Agent, without limiting any other authorizations or empowerments contained in any of the other Loan Documents, to assert, either directly or on behalf of such Debtor, any claims such Debtor may have, from time to time, against any other party to any of the agreements to which such Debtor is a party or to otherwise exercise any right or remedy of such Debtor under any such agreements (including, without limitation, the right to enforce directly against any party to any such agreement all of such Debtor's rights thereunder, to make all demands and give all notices and to make all requests required or permitted to be made by such Debtor thereunder).

5.6 If an Event of Default has occurred and is continuing, proceeds of any collection, enforcement, sale or other disposition of, or other realization upon, all or any part of the Collateral and any cash held in any Deposit Account shall be applied in accordance with the applicable provisions of the Credit Agreement.

5.7 Each Debtor acknowledges and agrees that a breach of any of the covenants contained in Sections 4, 5 and 6 hereof will cause irreparable injury to Administrative Agent and that Administrative Agent has no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of Administrative Agent to seek and obtain specific performance of other obligations of each Debtor contained in this Agreement, that the covenants of each Debtor contained in the Sections referred to in this Section shall be specifically enforceable against each Debtor.

5.8 No failure or delay on the part of Administrative Agent in the exercise of any power, right or privilege hereunder shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or any other right, power or privilege. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

SECTION 6. Attorney-in-Fact.

Each Debtor hereby irrevocably appoints Administrative Agent, its nominee, and any other Person whom Administrative Agent may designate, as such Debtor's attorney-in-fact, with full power during the existence of any Event of Default to sign such Debtor's name on verifications of Accounts and other Collateral; to send requests for verification of Collateral to such Debtor's customers, Account Debtors and other obligors; to endorse such Debtor's name on any checks, notes, acceptances, money orders, drafts, and any other forms of payment or security that may come into Administrative Agent's possession or on any assignments, stock powers, or other instruments of transfer relating to the Collateral or any part thereof; to sign such Debtor's name on any invoice or bill of lading relating to any Collateral, on claims to enforce collection of any Collateral, on notices to and drafts against customers and Account Debtors and other obligors, on schedules and assignments of Collateral, on notices of assignment and on public

records; to notify the post office authorities to change the address for delivery of such Debtor's mail to an address designated by Administrative Agent; to receive, open and dispose of all mail addressed to such Debtor; and to do all things necessary to carry out the terms and provisions of this Agreement. Each Debtor hereby approves all acts of any such attorney taken in accordance with the terms and provisions of this Agreement after the occurrence and during the continuance of an Event of Default and agrees that neither Administrative Agent nor any such attorney will be liable for any acts or omissions nor for any error of judgment or mistake of fact or law other than, and to the extent of, such Person's gross negligence or willful misconduct. The foregoing powers of attorney, being coupled with an interest, are irrevocable until Security Termination has occurred and the Security Interests granted hereby shall have terminated in accordance with the terms hereof.

SECTION 7. Subordination of Indebtedness.

7.1 Subordination of All Debtor Claims. Each Debtor hereby subordinates the payment of all Debtor Claims owing to such Debtor to the payment in full in cash of all the Secured Obligations (other than contingent indemnification and cost reimbursement obligations for which no claim has been asserted). If Administrative Agent or the other Secured Parties so request after the occurrence and during the continuance of an Event of Default, any such Debtor Claims owing to such Debtor shall be enforced and performance received by such Debtor as trustee for the Secured Parties and the proceeds thereof shall be paid over to Administrative Agent on account of the Secured Obligations. After and during the continuation of an Event of Default, if Administrative Agent shall so request, no Debtor shall receive or collect, directly or indirectly, from any other Debtor in respect thereof any amount upon the Debtor Claims.

7.2 Claims in Bankruptcy. In the event of receivership, bankruptcy, reorganization, arrangement, debtor's relief, or other insolvency proceedings involving any Debtor, Administrative Agent on behalf of the Secured Parties shall have the right to prove their claim in any proceeding, so as to establish their rights hereunder and receive directly from the receiver, trustee or other court custodian, dividends, distributions and payments which would otherwise be payable upon Debtor Claims. In the event of any such proceeding, each Debtor hereby assigns such, dividends, distributions and payments to Administrative Agent for the benefit of the Secured Parties for application against the Secured Obligations as provided under Section 10.02(c) of the Credit Agreement. Should Administrative Agent or any other Secured Party receive, for application upon the Secured Obligations, any such dividend, distribution or payment which is otherwise payable to any Debtor, and which, as between such Debtor and any other Debtor, shall constitute a credit upon the Debtor Claims, then upon Security Termination, the intended recipient shall become subrogated to the rights of Administrative Agent and the other Secured Parties to the extent that such payments to Administrative Agent and the other Secured Parties on the Debtor Claims have contributed toward the liquidation of the Secured Obligations, and such subrogation shall be with respect to that proportion of the Secured Obligations which would have been unpaid if Administrative Agent and the other Secured Parties had not received dividends, distributions or payments upon the Debtor Claims.

7.3 Payments Held in Trust. In the event that, notwithstanding Section 7.1 and Section 7.2, any Debtor should receive any funds, payments or claims which are prohibited by such Sections, then it agrees: (a) to hold in trust for Administrative Agent and the other Secured Parties an amount equal to the amount of all funds, payments or claims so received, and (b) that it shall have absolutely no dominion over the amount of such funds, payments or claims except to pay them promptly to Administrative Agent, for the benefit of the Secured Parties; and each Debtor covenants promptly to pay the same to Administrative Agent.

7.4 Liens Subordinate. Each Debtor agrees that until Security Termination, any Liens securing payment of the Debtor Claims shall be and remain inferior and subordinate to any Liens securing payment of the Secured Obligations, regardless of whether such encumbrances in favor of such Debtor, Administrative Agent or any other Secured Party presently exist or are hereafter created or attach. Without the prior written consent of Administrative Agent, no Debtor, during the period in which any of the Secured Obligations is outstanding or the Commitments are in effect, shall (x) exercise or enforce any creditor's right it may have against any debtor in respect of the Debtor Claims, or (y) foreclose, repossess, sequester or otherwise take steps or institute any action or proceeding (judicial or otherwise, including without limitation the commencement of or joinder in any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any Lien securing payment of the Debtor Claims held by it.

7.5 Notation of Records. All promissory notes and all accounts receivable ledgers or other evidence of the Debtor Claims accepted by or held by any Debtor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under the terms of this Agreement.

SECTION 8. Expenses.

Without limiting any Debtor's obligations under the Credit Agreement or the other Loan Documents, but without duplication of any related provisions thereof, each Debtor hereby agrees to promptly pay all reasonable out-of-pocket fees, costs and expenses (including reasonable out-of-pocket attorneys' fees and expenses) incurred in connection with (i) protecting, storing, warehousing, appraising, insuring, handling, maintaining and shipping the Collateral and (ii) creating, perfecting, and maintaining Administrative Agent's Liens, and each Debtor agrees to promptly pay any and all fees, costs and expenses (including reasonable out-of-pocket attorneys' fees and expenses) incurred in connection with collecting, enforcing, retaking, holding, preparing for disposition, processing and disposing of the Collateral and enforcing Administrative Agent's Liens.

If any Debtor fails to promptly pay any portion of the above costs, fees and expenses when due or to perform any other obligation of such Debtor under this Agreement, Administrative Agent may, at its option, but shall not be required to, pay or perform the same and charge such Debtor's account for all fees, costs and expenses incurred therefor, and such Debtor agrees to reimburse Administrative Agent therefor on demand. All sums so paid or incurred by Administrative Agent for any of the foregoing, any and all other sums for which any Debtor may become liable hereunder and all fees, costs and expenses (including attorneys' fees, legal expenses and court costs) incurred by Administrative Agent in enforcing or protecting the Security Interests or any of their rights or remedies under this Agreement shall be payable on demand, shall constitute Secured Obligations, shall bear interest until paid at the highest rate provided in the Credit Agreement and shall be secured by the Collateral.

SECTION 9. Notices.

All notices, approvals, requests, demands and other communications hereunder to be delivered to any Debtor shall be delivered to Borrower, and all notices, approvals, requests, demands and other communications hereunder shall be given in accordance with the notice provisions of the Credit Agreement.

SECTION 10. Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns except that no Debtor may assign its rights or obligations hereunder without the written consent of Administrative Agent. No sales of participations, other sales, assignments, transfers or other dispositions of any agreement governing or instrument evidencing the Secured Obligations or any portion thereof or interest therein shall in any manner impair the Liens granted to Administrative Agent, for the benefit of Administrative Agent and the other Secured Parties, hereunder.

SECTION 11. Changes in Writing.

No amendment, modification, termination or waiver of any provision of this Agreement shall be effective unless the same shall be in writing signed by Administrative Agent and each Debtor.

SECTION 12. Additional Debtors.

Upon the execution and delivery, or authentication, by any Person of a joinder in substantially the form of Exhibit A: (a) such Person shall become a Debtor hereunder, each reference in this Agreement and the other Loan Documents to “Debtor” or “Obligor”, as applicable, shall also mean and be a reference to such Person, and each reference in this Agreement and the other Loan Documents to “Collateral” shall also mean and be a reference to the Collateral of such Person, and (b) each schedule attached to such joinder shall be incorporated into and become a part of and supplement the corresponding schedules hereto, and Administrative Agent may attach such supplemental schedules to such corresponding schedule hereto, and each reference to such schedules shall mean and be a reference to such schedules as supplemented pursuant to such joinder.

SECTION 13. Indemnification. Without in any way limiting the requirements of Section 12.03 of the Credit Agreement, each Debtor agrees to indemnify and hold harmless the Secured Parties, each of their respective successors and assigns, officers, directors, employees, agents and attorneys, and any Person in control of any thereof (the "Indemnified Parties"), from and against any loss, liability, claim, damage and expense, including, without limitation, reasonable counsel fees (collectively called the "Indemnified Liabilities"), which may be imposed on, incurred by or asserted against such Indemnified Party as a result of or in connection with this Agreement or the enforcement by the Administrative Agent or any other Secured Party of its rights and remedies hereunder, and any Indemnified Liabilities, under federal and state securities laws or otherwise, insofar as such Indemnified Liabilities;

13.1 arise out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in any registration statement, prospectus or offering memorandum or in any preliminary prospectus or preliminary offering memorandum or in any amendment or supplement to any of the foregoing or in any other writing in connection with the offer, sale or resale of all or any portion of the Collateral, provided that any such registration statement, prospectus or offering memorandum, preliminary prospectus, preliminary offering memorandum, or other writing was prepared by Debtors, their representatives, agents, or attorneys or such untrue statement was provided by Debtors specifically for inclusion therein and unless such untrue statement of material fact was provided by the Administrative Agent specifically for inclusion therein; or

13.2 arise out of or is based upon any omission or alleged omission to state therein a material fact required to be stated or necessary to make the statements therein not misleading.

Such indemnification to remain operative regardless of any investigation made by or on behalf of the Administrative Agent, any Secured Party or any successor thereof, or any Person in control of any thereof. In no event shall any Debtor have any obligation to indemnify or hold harmless an Indemnified Party with respect to an Indemnified Liability that is determined in a final, non-appealable judgment by a court of competent jurisdiction to result from the gross negligence or willful misconduct by any Indemnified Party. In connection with a public sale or other distribution, each Debtor will provide customary indemnification to any underwriters, their respective successors and assigns, their respective officers and directors and each Person who controls any such underwriter (within the meaning of the 1933 Act). If and to the extent that the foregoing undertakings in this Section 13 may be unenforceable for any reason, each Debtor agrees to make maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. The obligations of each Debtor under this Section 13 shall survive any termination of this Agreement.

SECTION 14. Joint and Several Liability.

Each Debtor hereby agrees that it is jointly and severally liable for all liabilities, obligations and/or indebtedness of each other Debtor, to the extent such liabilities, obligations and/or indebtedness arise under or in connection with this Agreement.

SECTION 15. GOVERNING LAW; SUBMISSION TO JURISDICTION.

THIS AGREEMENT, AND ALL MATTERS RELATING HERETO 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. EACH DEBTOR HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE CITY OF HOUSTON, STATE OF TEXAS AND IRREVOCABLY AGREES THAT, SUBJECT TO ADMINISTRATIVE AGENT'S ELECTION, ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE LITIGATED IN SUCH COURTS. EACH DEBTOR EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS. EACH PARTY HERETO HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON SUCH PARTY BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO SUCH PARTY IN ACCORDANCE WITH THE PROVISIONS OF SECTION 9 HEREOF AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED.

SECTION 16. WAIVER OF JURY TRIAL.

EACH DEBTOR HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH DEBTOR ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT FOR THE ADMINISTRATIVE AGENT AND THE OTHER SECURED PARTIES TO ENTER INTO A BUSINESS RELATIONSHIP AND THAT THE ADMINISTRATIVE AGENT AND EACH OTHER SECURED PARTY HAS RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AND THAT THE ADMINISTRATIVE AGENT AND EACH OTHER SECURED PARTY WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS WITH EACH DEBTOR. EACH DEBTOR WARRANTS AND REPRESENTS THAT IT HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.

SECTION 17. Waiver of Right of Setoff.

All sums payable by the Debtors hereunder or under the Notes and the other Loan Documents shall be paid without notice, demand, counterclaim, setoff, deduction or defense, and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of the Debtors hereunder and thereunder shall in no way be released, discharged or

otherwise affected, except as expressly provided herein, by reason of (a) any damage to or destruction of or any condemnation or similar taking, or transfer in lieu thereof, of the Collateral or any part thereof; (b) any restriction or prevention of or interference with any use of the Collateral or any part thereof; (c) any title defect or encumbrance or any eviction from the location of the Collateral or any part thereof by title paramount or otherwise; (d) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to any Debtor or any action taken with respect to this Agreement or the other Loan Documents by any trustee or receiver of any Debtor, or by any court in such proceeding; (e) any claim which any Debtor has or might have against Administrative Agent or any other Secured Party; or (f) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not the Debtors shall have notice or knowledge of any of the foregoing. No portion of the Secured Obligations shall be or be deemed to be offset or compensated by all or any part of any claim, cause of action, counterclaim or cross-claim, whether liquidated or unliquidated, which any Debtor may presently have or claim to have against Administrative Agent or any other Secured Party. Each Debtor hereby waives, to the fullest extent permitted by applicable law, any right of setoff it may have or to which it may be entitled under this Agreement, the other Loan Documents or any applicable law from time to time against Administrative Agent, any other Secured Party or their respective assets. Except as expressly provided herein, each Debtor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by such Debtor.

SECTION 18. Counterparts; Integration.

This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Signature by facsimile shall bind the parties hereto. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes any and all prior agreements and understandings, oral or written, relating to the subject matter hereof.

SECTION 19. Headings.

Headings and captions used in this Agreement (including the Exhibits and Schedules hereto) are included for convenience of reference and shall not be given any substantive effect.

SECTION 20. General Terms and Conditions.

In addition to and without limitation of any of the foregoing, this Agreement shall be deemed to be a Loan Document and shall otherwise be subject to all of the general terms and conditions contained in the Credit Agreement, *mutatis mutandi*.

SECTION 21. Termination of Liens; Release of Collateral.

Administrative Agent agrees that upon Security Termination, the Liens provided for hereunder shall automatically terminate and all rights to the Collateral shall revert to the applicable Debtor. Administrative Agent further agrees that upon such termination, Administrative Agent shall, at the expense of the Debtors, execute and promptly deliver to the

Debtors such documents and instruments as the Debtors shall reasonably request to evidence such termination. Notwithstanding the foregoing, this Agreement and the Liens created hereby shall continue in full force and effect or be revived and reinstated, as the case may be, if any payment by or on behalf of the Borrower or any other Debtor is made, or any Secured Party exercises its right of setoff, in respect of the Secured Obligations 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 Secured Parties in their discretion) to be repaid to a trustee, receiver or any other party, for any reason, including in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Secured Parties are in possession of or have released the Liens created by this Agreement and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Debtor under the immediately preceding sentence shall survive termination of this Agreement.

[Signature pages follow]

Witness the due execution hereof by the respective duly authorized officers of the undersigned as of the date first written above.

DEBTOR:

BERRY PETROLEUM COMPANY, LLC

By: /s/ Steven B. Wilson
Name: Steven B. Wilson
Title: Chief Financial Officer

BERRY PETROLEUM CORPORATION

By: /s/ Steven B. Wilson
Name: Steven B. Wilson
Title: Chief Financial Officer

ADMINISTRATIVE AGENT

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent and a Lender

By: /s/ Patrick J. Fults
Name: Patrick J. Fults
Title: Director

[Signature Page to Security Agreement]

Schedules to Security Agreement

Schedule 3.2

Collateral Locations, Chief Executive Offices

Schedule 3.8

Chattel Paper, Letter-of-Credit Rights, Commercial Tort Claims, Documents, Titled Equipment

Schedule 3.9

Deposit and Securities Accounts

Exhibit A

[FORM OF] JOINDER TO SECURITY AGREEMENT

_____ ____, 20____

Wells Fargo Bank, National Association
as Administrative Agent for the Secured Parties referred to
in the Security Agreement referred to below

1000 Louisiana Street, 9th Floor
Houston, Texas 77002
Attention: Patrick Fults

Ladies and Gentlemen:

The undersigned refers to:

(i) that certain Credit Agreement, dated as of February 28, 2017 (as the same may be amended, restated, modified or supplemented and in effect from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation ("Parent Guarantor" and together with the Borrower, collectively the "Guarantors", and each individually a "Guarantor"), the lenders from time to time party thereto (the "Lenders") and you, as administrative agent (in such capacity, together with its successors in such capacity, the "Administrative Agent"); and

(ii) that certain Security Agreement dated as of February 28, 2017 (as the same may be amended, restated, modified or supplemented and in effect from time to time, the "Security Agreement"), by the Debtors from time to time party thereto in your favor for the benefit of the Secured Parties.

Terms defined in the Credit Agreement or the Security Agreement and not otherwise defined herein are used herein as defined in the Credit Agreement or the Security Agreement, as applicable.

SECTION 1. Grant of Security. The undersigned grants to you, for the benefit of the Secured Parties, a security interest in all of its right, title and interest in and to all of the Collateral of the undersigned, whether now owned or hereafter acquired by the undersigned, wherever located and whether now or hereafter existing or arising, including the property of the undersigned set forth on the attached supplemental schedules to the Schedules to the Security Agreement.

SECTION 2. Security for Secured Obligations. The grant of a security interest in the Collateral by the undersigned under this Agreement and the Security Agreement secures the payment of the Secured Obligations.

SECTION 3. Information Relating to the Undersigned. The undersigned is an entity of the type specified on Schedule 1 and is organized under the laws of the jurisdiction specified on Schedule 1 and its address for notices is specified on Schedule 1.

SECTION 4. Supplement to Security Agreement Schedules. The undersigned has attached hereto Schedule 3.2, Schedule 3.8 and Schedule 3.9 which are supplemental to the corresponding schedules to the Security Agreement, and the undersigned certifies, as of the date first-above written, that such supplemental schedules have been prepared by the undersigned in substantially the form of the corresponding schedules to the Security Agreement and are true and complete.

SECTION 5. Representations, Warranties, Agreements, Waivers. The undersigned as of the date hereof makes each representation, warranty, agreement (including indemnification agreements), waiver, and acknowledgement set forth in the Security Agreement (as supplemented by the attached supplemental schedules).

SECTION 6. Obligations Under the Security Agreement. As of the date first-above written, the undersigned hereby joins the Security Agreement as a party thereto and as a Debtor thereunder and hereby agrees to be bound as a Debtor by all of the terms and provisions of the Security Agreement. As of the date first-above written, each reference in the Security Agreement to a "Debtor" shall also mean and be a reference to the undersigned.

SECTION 7. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the jurisdiction whose laws the Security Agreement provides will govern such agreement.

Very truly yours,

[DEBTOR]

By: _____
Name: _____
Title: _____

ACCEPTED AND AGREED AS OF THE DATE
FIRST-ABOVE STATED,

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: _____
Name: _____
Title: _____

[Exhibit A to Security Agreement]

Schedules to Joinder to Security Agreement

Schedule 1

Jurisdiction of Organization and Address for Notices

Name of Debtor	Type of Organization	Jurisdiction of Organization	Address for Notices

Schedule 3.2

Collateral Locations, Chief Executive Offices

Schedule 3.8

Chattel Paper, Letter-of-Credit Rights, Commercial Tort Claims, Documents, Titled Equipment

Schedule 3.9

Deposit and Securities Accounts

Exhibit 10.17

Execution Copy

Deal Published CUSIP Number: 08579CAC1
Facility Published CUSIP Number: 08579CAD9

CREDIT AGREEMENT

Dated as of July 31, 2017

Among

BERRY PETROLEUM COMPANY, LLC
as Borrower,

BERRY PETROLEUM CORPORATION
as Parent Guarantor,

WELLS FARGO BANK, NATIONAL ASSOCIATION
as Administrative Agent and Issuing Lender,

and

THE LENDERS NAMED HEREIN
as Lenders

$1,500,000,000

WELLS FARGO SECURITIES, LLC
BMO CAPITAL MARKETS CORP.
and
KEYBANC CAPITAL MARKETS INC.

AS JOINT LEAD ARRANGERS AND JOINT BOOKRUNNERS,

BANK OF MONTREAL
AS SYNDICATION AGENT,

and

KEYBANK NATIONAL ASSOCIATION and ABN AMRO BANK N.V.
AS CO-DOCUMENTATION AGENTS

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SCHEDULES:

EXHIBITS:

CREDIT AGREEMENT

This CREDIT AGREEMENT dated as of July 31, 2017 (as amended, restated, supplemented or otherwise modified from time to time, this "Agreement") is among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent"), the Lenders (as defined below) and Wells Fargo Bank, National Association as Administrative Agent (as defined below) for the Lenders and as Issuing Lender (as defined below).

RECITALS

A. The Borrower has requested that the Lenders provide certain loans to and extensions of credit on behalf of the Borrower.

B. The Parent receives and, as a result of its ownership of the Borrower expects to continue to receive financial support from the Borrower, and therefore the Parent will obtain substantial benefit from (i) the transactions contemplated by this Agreement and the other Credit Documents, (ii) the Hedging Arrangements entered into by the Borrower or any other Guarantor with a Swap Counterparty, and (iii) the Banking Services provided by any Lender or any Affiliate of a Lender to the Borrower or any other Guarantor. The Parent accordingly wishes to guaranty the Secured Obligations as more fully set forth herein.

C. In consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

ARTICLE 1
DEFINITIONS AND ACCOUNTING TERMS

Section 1.1 Certain Defined Terms. The following terms shall have the following meanings (unless otherwise indicated, such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"Acceptable Letter of Credit Maturity Date" has the meaning assigned to it in Section 2.3(a)(ii) of this Agreement.

"Acceptable Security Interest" means a security interest which (a) exists in favor of the Administrative Agent for its benefit and the ratable benefit of the Secured Parties, (b) is superior to all other security interests (other than Permitted Liens), (c) secures the Secured Obligations, (d) is enforceable against the Credit Party which created such security interest and (e) is perfected, subject to any exceptions or limitations expressly provided for in the Security Documents.

"Account Control Agreement" shall mean, as to any deposit account or securities account, as applicable, of any Credit Party held with a bank or securities intermediary, as applicable, an agreement or agreements in form and substance reasonably acceptable to the Administrative Agent, among the Credit Party owning such deposit account or securities account, as applicable, the Administrative Agent and such other bank or securities intermediary, as applicable, governing such deposit account or securities account, as applicable.

"Acquired Linn Assets" means those certain Oil and Gas Properties (and certain other associated assets) acquired by the Borrower pursuant to the Linn Acquisition Documents.

"Acquisition" means the purchase by any Credit Party of any business, division or enterprise, including the purchase of associated assets or operations or any Equity Interests of a Person; provided that, a merger or consolidation solely among Credit Parties shall not constitute an Acquisition.

"Adjusted Base Rate" means, for any day, the fluctuating rate per annum of interest equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Rate in effect on such day plus one half of 1.00%, and (c) a rate determined by the Administrative Agent to be the Daily Three-Month LIBOR plus 1.00%. Any change in the Adjusted Base Rate due to a change in the Prime Rate, Daily Three-Month LIBOR or the Federal Funds Rate shall be effective on the effective date of such change in the Prime Rate, Daily Three-Month LIBOR or the Federal Funds Rate; provided that, clause (c) shall not be applicable during any period in which the Daily Three-Month LIBOR is unavailable or unascertainable.

"Administrative Agent" means Wells Fargo in its capacity as agent for the Lenders pursuant to Article 8 and any successor agent pursuant to Section 8.6.

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

"Advance" means any advance by a Lender to the Borrower as a part of a Borrowing.

"Affiliate" means, as to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person or any Subsidiary of such Person. The term "control" (including the terms "controlled by" or "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of an Equity Interest, by contract, or otherwise.

"Agreement" has the meaning given in the opening paragraph.

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

"Applicable Margin" means, with respect to each Type of Advance and the Letters of Credit, the percentage rate per annum set forth in the Pricing Grid based on the relevant Utilization Level applicable from time to time. The Applicable Margin for any Advance or Letter of Credit shall change when and as the relevant Utilization Level changes.

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Asset Sale" means (a) any sale, lease, transfer, condemnation, taking, or other disposition of any Property (including any working interest, overriding royalty interest, production payments, net profits interest, royalty interest, or mineral fee interest, but excluding Hedge Events) of any Credit Party and (b) any issuance or sale of any Equity Interests of any Credit Party other than the Parent, in each case, to any Person other than a Credit Party.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 10.7), and accepted by the Administrative Agent, in substantially the form of Exhibit A or any other form approved by the Administrative Agent.

"Availability" means, as of any date of determination, an amount equal to (a) the lesser of the then effective Borrowing Base and the aggregate Commitments minus (b) the sum of (i) the outstanding principal amount of all Advances plus (ii) the Letter of Credit Exposure.

"Availability Period" means the period from the Closing Date until the Maturity Date.

"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.

"Banking Services" means each and any cash management services provided to any Credit Party by any Lender or by any Affiliate of a Lender, including without limitation the following bank services: (a) commercial credit or debit cards, (b) purchase cards, (c) stored value cards and (d) treasury management services (including, without limitation, overdraft, depository, controlled disbursement, electronic funds transfer, automated clearinghouse transactions, return items, overdrafts and interstate depository network services).

"Banking Services Obligations" means any and all obligations of any Credit Party, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Banking Services.

"Banking Services Provider" means any Lender or Affiliate of a Lender that provides Banking Services to any Credit Party.

"Base Rate Advance" means an Advance which bears interest based upon the Adjusted Base Rate.

"BB Threshold Amount" has the meaning set forth in Section 2.2(e).

"BB Value" means, (a) as to any Oil and Gas Property, the value, if any, attributed to such Oil and Gas Property under the then effective Borrowing Base, as determined by the Administrative Agent in accordance with the standards set forth in Section 2.2(d), and (b) as to Hedging Arrangements, the net effect of any Hedge Event on the amount of the Borrowing Base, after taking into account the economic effect of any Replacement Hedging Contracts, as determined by the Administrative Agent.

"Borrower" has the meaning given in the opening paragraph.

"Borrowing" means a borrowing consisting of simultaneous Advances of the same Type made by the Lenders pursuant to Section 2.1(a) or Converted by each Lender to Advances of a different Type pursuant to Section 2.4(b).

"Borrowing Base" means at any particular time, the Dollar amount determined in accordance with Section 2.2 on account of Proven Reserves attributable to Oil and Gas Properties of the Credit Parties described in the most recent Independent Engineering Report or Internal Engineering Report, as applicable, delivered to the Administrative Agent and the Lenders pursuant to Section 2.2.

"Borrowing Base Deficiency" means the excess, if any, of (a) the sum of the outstanding principal amount of all Advances plus the Letter of Credit Exposure over (b) the lesser of (i) the aggregate amount of Commitments, and (ii) the Borrowing Base then in effect.

"Business Day" means a day (a) other than a Saturday, Sunday, or other day on which the Administrative Agent is authorized to close under the laws of, or is in fact closed in, Denver, Colorado or New York, New York, and (b) if the applicable Business Day relates to any Eurodollar Advances, on which dealings are carried on by commercial banks in the London interbank market.

"Capital Leases" means, for any Person, any lease of any Property by such Person as lessee which would, in accordance with GAAP, be required to be classified and accounted for as a capital lease on the balance sheet of such Person. Any lease that was treated as an operating lease under GAAP at the time it was entered into that later becomes a Capital Lease as a result of a change in GAAP during the life of such lease, including any renewals thereof, shall be treated, and defined as an operating lease and not a Capital Lease for all purposes under the Credit Documents.

"Cash" means Dollar denominated currency in immediately available funds.

"Cash Collateral Account" means a deposit account subject to an Account Control Agreement pledged to the Administrative Agent containing cash deposited pursuant to the terms hereof to be maintained with the Administrative Agent in accordance with Section 2.3(h).

"Cash Collateralize" means, to deposit in a Cash Collateral Account or to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Issuing Lender or Lenders, as collateral for Letter of Credit Obligations or obligations of Lenders to fund participations in respect of Letter of Credit Obligations, cash or deposit account balances or, if the Administrative Agent and the Issuing Lender shall agree in their sole discretion, other credit

support, in each case pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and the Issuing Lender. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Casualty Event" means the damage, destruction or condemnation, including by process of eminent domain or any transfer or disposition of property in lieu of condemnation, as the case may be, of property of any Person or any of its Subsidiaries, including by process of eminent domain or any transfer or disposition of property in lieu of condemnation.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, state and local analogs, and all rules and regulations and requirements thereunder in each case as now or hereafter in effect.

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

(a) the Parent ceases to (i) directly or indirectly (through the Intermediate Holdco, if applicable) own 100% of the Equity Interests of the Borrower, and (ii) directly or indirectly own 100% of the Equity Interests in any Restricted Subsidiary other than as a result of a transaction permitted under Section 6.7;

(b) the consummation of any transaction or series of transactions (including any merger or consolidation) the result of which is that any "person" (as that term is used in Section 13(d) and 14(d) of the Exchange Act, but excluding (i) the Permitted Holders, (ii) any employee benefit plan of the Parent or any of its Restricted Subsidiaries, and (iii) any Person acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) or related persons constituting a "group" (as such term is used in Rule 13d-5 under the Exchange Act) becomes the "beneficial owner," directly or indirectly, of more than 40% of the Voting Stock of the Parent (or any of their respective successors by merger, consolidation or purchase of all or substantially all of their respective assets), measured by voting power rather than number of shares (for purposes of this clause, such person or group shall be deemed to beneficially own any Voting Stock held by a parent entity, if such person or group "beneficially owns", directly or indirectly, more than 40% of the voting power of the Voting Stock of such parent entity);

(c) the first day on which a majority of the members of the board of directors of the Parent shall not constitute Continuing Directors; or

(d) the occurrence of a "change of control" or analogous concept under any Specified Additional Debt documents evidencing Specified Additional Debt in excess of $20,000,000 (but only to the extent the occurrence of such event (i) results in an "event of default" or similar term under such Specified Additional Debt documents or results in the acceleration of (or gives the holders thereof the right to accelerate) such Specified Additional Debt or (ii) requires the applicable Credit Party to make an offer to prepay or repay all or a portion of such Specified Additional Debt to the holders thereof).

"Change in Law" means the occurrence, after the date of this Agreement (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines 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 or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Closing Date" means July 31, 2017.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations thereof.

"Cogen Facilities" means the cogeneration facilities described on Schedule 4.16 hereof.

"Collateral" means all property of the Credit Parties which is "Collateral", "Mortgaged Property" or "Pledged Collateral" (as defined in the Security Agreement, each Mortgage or the Pledge Agreement, as applicable) or similar terms used in the Security Documents.

"Commitment" means, for each Lender, the obligation of each Lender to advance to Borrower and to participate in Letters of Credit in an aggregate amount set opposite such Lender's name on Schedule I as its Commitment, or if such Lender has entered into any Assignment and Assumption, set forth for such Lender as its Commitment in the Register, as such amount may be reduced pursuant to Section 2.1(c); provided that, after the Maturity Date, the Commitment for each Lender shall be zero. The initial aggregate Commitment on the date hereof is $1,500,000,000.

"Commitment Fee Rate" means the per annum commitment fee rate set forth on the Pricing Grid applicable from time to time. The Commitment Fee Rate shall change when and as the relevant Utilization Level changes.

"Commitment Fees" means the fees required under Section 2.7(a).

"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.

"Compliance Certificate" means a compliance certificate executed by a Responsible Officer in substantially the same form as Exhibit B.

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

"Consolidated EBITDAX" means for the Credit Parties, on a consolidated basis for any period, the sum of (a) Consolidated Net Income for such period, plus (b) without duplication and to the extent deducted in determining such Consolidated Net Income (i) Consolidated Interest Expense for such period, plus (ii) Consolidated Income Tax Expense for such period, plus (iii) depreciation, amortization, depletion and exploration expenses for such period, plus (iv) non-cash charges resulting from extraordinary or non-recurring events or circumstances for such period, plus (v) non-cash charges resulting from any provision for the reduction in the carrying value of assets recorded in accordance with GAAP for such period and non-cash charges resulting from the requirements of ASC 410, 718 and 815 for such period (including, for avoidance of doubt, ceiling test and other write downs and impairment charges), plus (vi) costs and expenses incurred during the third fiscal quarter of 2017 in connection with the consummation and implementation of the Plan of Reorganization and associated re-start following exit from bankruptcy protection in an amount not to exceed $2,500,000, minus (c) to the extent included in determining Consolidated Net Income, (i) non-cash income resulting from extraordinary or non-recurring events or circumstances for such period and (ii) all other non-cash items of income which were included in determining such Consolidated Net Income (including non-cash income resulting from the requirements of ASC 410, 718 and 815); provided that, such Consolidated EBITDAX shall be subject to pro forma adjustments for permitted acquisitions and non-ordinary course asset sales assuming that such transactions had occurred on the first day of the determination period, which adjustments shall be made in a manner, and subject to supporting documentation, set forth by the SEC in Regulation S-X or otherwise acceptable to the Administrative Agent. For the avoidance of doubt, Consolidated EBITDAX shall include realized gains and losses with respect to Hedging Arrangements in connection with monthly settlements in the ordinary course of business, but shall not otherwise include realized gains and losses in connection with early hedge unwinds or terminations, and Consolidated EBITDAX shall also not include unrealized marked-to-market gains and losses with respect to Hedging Arrangements.

Notwithstanding the foregoing, for the purposes of calculating Consolidated EBITDAX for any Test Period ending on or before March 31, 2018, Consolidated EBITDAX shall be deemed to be equal to (x) for the Test Period ended on September 30, 2017 Consolidated, EBITDAX for the fiscal quarter ended on such date multiplied by four; (y) for the Test Period ended on December 31, 2017, Consolidated EBITDAX for the two fiscal quarters ended on such date multiplied by two; and (z) for the Test Period ended on March 31, 2018, Consolidated EBITDAX for the three fiscal quarters ended on such date multiplied by four-thirds (4/3).

"Consolidated Income Tax Expense" means, for the Credit Parties, on a consolidated basis for any period, all state and federal franchise and income taxes paid or due to be paid during such period.

"Consolidated Interest Expense" means, for the Credit Parties, on a consolidated basis for any period, total cash interest expense, letter of credit fees and other fees and expenses incurred by such Persons in connection with any Debt (including, but not limited to, Debt under this Agreement) for such period, whether paid or accrued (including interest expense attributable to Capital Leases), including, without limitation, all commissions, discounts, and other fees and charges owed or accrued with respect to letters of credit and bankers' acceptance financing, fees owed with respect to the Borrowings, and net costs under Hedging Arrangements entered into with respect to interest rates, all as determined in conformity with GAAP.

"Consolidated Net Income" means with respect to the Credit Parties, for any period, the aggregate of the net income (or loss) of the Credit Parties after allowances for taxes for such period determined on a consolidated basis in accordance with GAAP; provided that, there shall be excluded from such net income (to the extent otherwise included therein) the following: (a) the net income of any Unrestricted Subsidiary, except to the extent of the amount of dividends or distributions attributable to net income of such Unrestricted Subsidiary actually paid in cash during such period by such Unrestricted Subsidiary to a Credit Party; (b) the net income of any Person (other than an Unrestricted Subsidiary) in which a Credit Party has an interest (which interest does not cause the net income of such other Person to be consolidated with the net income of the Credit Parties in accordance with GAAP), except to the extent of the amount of dividends or distributions attributable to net income of such Person actually paid in cash during such period by such other Person to a Credit Party; (c) the net income (but not losses) during such period of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions or transfers or loans by that Restricted Subsidiary is not at the time permitted by operation of the terms of its charter or any agreement, instrument or Legal Requirement applicable to such Restricted Subsidiary, in each case determined in accordance with GAAP; (d) the net income (or deficit) of any Person accrued prior to the date it becomes a Restricted Subsidiary or is merged into or consolidated with the Borrower or any of its Restricted Subsidiaries; (e) any extraordinary gains or losses during such period; (f) any gains or losses attributable to write-ups or write-downs of assets, including ceiling test write-downs; (g) any non-cash gains or losses; and (h) positive or negative adjustments under FASB ASC 815 as a result of changes in the fair market value of derivatives.

"Consolidated Net Tangible Assets" means, as of any date of determination, the total assets of the Credit Parties determined on a consolidated basis, less all outstanding liabilities and less any intangible assets such as goodwill, patents and trademarks, in each case as determined in accordance with GAAP.

"Consolidated Total Debt" means, as of any date of determination, consolidated Debt of the Credit Parties (other than obligations under clauses (d), (e) (to the extent relating to earn-out obligations that are not liabilities on the balance sheet in accordance with GAAP and usual and customary purchase price adjustments), (g) and (k) (to the extent in respect of obligations under clauses (d), (e) (to the extent relating to earn-out obligations that are not liabilities on the balance sheet in accordance with GAAP and usual and customary purchase price adjustments) and (g) of the definition of "Debt").

"Continuing Directors" means (a) the directors of the Parent on the Closing Date and (b) each other director of the Parent if such other Person's nomination for election to the board of directors of the Parent is approved by at least 51% of the then Continuing Directors.

"Controlled Group" means all members of a controlled group of corporations and all businesses (whether or not incorporated) under common control which, together with the Parent or the Borrower, are treated as a single employer under Section 414 of the Code.

"Convert," "Conversion," and "Converted" each refers to a conversion of Advances of one Type into Advances of another Type pursuant to Section 2.4(b).

"Covenant Cure Payment" has the meaning set forth in Section 7.7 hereof.

"Credit Documents" means this Agreement, the Notes, the Letters of Credit, the Letter of Credit Applications, the Guaranties, the Notices of Borrowing, the Notices of Conversion, the Security Documents, the Fee Letters, and each other agreement, instrument, or document executed by any Credit Party at any time in connection with this Agreement.

"Credit Parties" means the Parent, the Intermediate Holdco (if applicable), the Borrower and each Restricted Subsidiary of the Borrower.

"Daily Three-Month LIBOR" means, for any day, the rate of interest equal to the Eurodollar Rate then in effect for delivery for a three month period.

"Debt" means, for any Person, without duplication: (a) the face amount of all indebtedness of such Person for borrowed money, including the amount available for drawing under any letters of credit supporting the repayment of indebtedness for borrowed money issued for the account of such Person; (b) to the extent not covered under clause (a) above, obligations under letters of credit and agreements relating to the issuance of letters of credit or acceptance financing, including Letters of Credit; (c) obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, or upon which interest payments are customarily made (excluding surety bonds and utility bonds) valued at the face amount thereof; (d) obligations of such Person under conditional sale or other title retention agreements relating to any Properties purchased by such Person (other than customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business); (e) obligations of such Person to pay the deferred purchase price of property or services (including, without limitation, any contingent obligations or other similar obligations associated with such purchase, and including obligations that are Non-Recourse to the credit of such Person but are secured by the assets of such Person but excluding accounts payable to trade creditors for goods or services and current operating liabilities (other than for borrowed money) incurred in the ordinary course of business and which are not more than 90 days past due, unless such payables are being contested in good faith by appropriate proceedings and adequate reserves for such items have been made in accordance with GAAP); (f) obligations of such Person as lessee under Capital Leases and obligations of such Person in respect of synthetic leases; (g) obligations of such Person under any Hedging Arrangement; (h) all obligations of such Person to mandatorily purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person on a date certain or upon the occurrence of certain events or conditions other than obligations, if any, to repurchase Equity Interests from employees upon their termination of employment prior to the date that is 180 days after the Maturity Date, valued at, in the case of redeemable preferred stock, the greater of the voluntary liquidation preference and the involuntary liquidation preference of such stock plus accrued and unpaid dividends; (i) the Debt of any partnership or unincorporated joint venture in which such Person is a general partner or a joint venturer, but only to the extent to which there is recourse to such Person for the payment of such Debt; (j) any obligations of such Person owing in connection with any volumetric or production prepayments; (k) obligations of such Person under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) of such Person to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (a) through (j) above; and (l) indebtedness or obligations of others of the kinds referred to in clauses (a) through (k) secured by any Lien on or in respect of any Property of such Person.

"Debtor Relief Laws" means the Bankruptcy Code of the United States of America, 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.

"Default" means (a) an Event of Default or (b) any event or condition which with notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Default Interest Letter of Credit" means the Letter of Credit dated the Closing Date in the original face amount of $14,658,173.69, issued by the Issuing Lender in favor of the Administrative Agent (as defined in the Existing Credit Agreement).

"Default Rate" means a per annum rate equal to (a) in the case of principal of any Advance, 2.00% plus the rate otherwise applicable to such Advance as provided in Sections 2.8(a) or (b), and (b) in the case of any other Obligation (other than Letter of Credit Fees), 2.00% plus the non-default rate applicable to Base Rate Advances as provided in Section 2.8(a), and (c) in the case of Letter of Credit Fees, a rate equal to the Applicable Margin for Eurodollar Advances plus 2.00% per annum.

"Defaulting Lender" means, subject to Section 2.16(b), any Lender that (a) has failed to (i) fund all or any portion of its Advances within two Business Days of the date such Advances were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's good faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the Issuing Lender, or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within two Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent or the Issuing Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund an Advance hereunder and states that such position is based on such Lender's good faith determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower in form and substance reasonably satisfactory thereto), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had publicly appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity

or (iii) become the subject of a Bail-in Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of (i) the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority (ii) if such Lender or its direct or indirect parent company is solvent and is otherwise subject to an Undisclosed Administration, in each case so long as such ownership interest or appointment (as applicable) does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.16(b)) upon delivery of written notice of such determination to the Borrower, the Issuing Lender and each Lender.

"Designated Jurisdiction" means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

"Documentation Agent" means, collectively, KeyBank National Association and ABN AMRO Bank N.V.

"Dollars" and "$" means lawful money of the United States of America.

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

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

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

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 10.7(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 10.7(b)(iii)).

"Engineering Report" means either an Independent Engineering Report or an Internal Engineering Report.

"Environment" or "Environmental" shall have the meanings set forth in 42 U.S.C. 9601(8) (1988).

"Environmental Claim" means any third party (including governmental agencies and employees) action, lawsuit, claim, demand, regulatory action or proceeding, order, decree, consent agreement or notice of potential or actual responsibility or violation (including claims or proceedings under the Occupational Safety and Health Acts or similar laws or requirements relating to health or safety of employees) which seeks to impose liability under any Environmental Law.

"Environmental Law" means all federal, state, and local laws, rules, regulations, ordinances, orders, decisions, agreements, and other requirements, including common law theories, now or hereafter in effect and relating to, or in connection with the Environment, health, or safety, including without limitation CERCLA, relating to (a) pollution, contamination, injury, destruction, loss, protection, cleanup, reclamation or restoration of the air, surface water, groundwater, land surface or subsurface strata, or other natural resources; (b) solid, gaseous or liquid waste generation, treatment, processing, recycling, reclamation, cleanup, storage, disposal or transportation; (c) exposure to pollutants, contaminants, hazardous, or toxic substances, materials or wastes; (d) the safety or health of employees; or (e) the manufacture, processing, handling, transportation, distribution in commerce, use, storage or disposal of hazardous, or toxic substances, materials or wastes.

"Environmental Permit" means any permit, license, order, approval, registration or other authorization under Environmental Law.

"Equity Interest" means with respect to any Person, any shares, interests, participation, or other equivalents (however designated) of corporate stock, membership interests or partnership interests (or any other ownership interests) of such Person.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"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.

"Eurocurrency Liabilities" has the meaning assigned to that term in Regulation D of the Federal Reserve Board as in effect from time to time.

"Eurodollar Advance" means an Advance that bears interest based upon the Eurodollar Rate.

"Eurodollar Base Rate" means the rate of interest per annum determined on the basis of the rate for deposits in Dollars for a period equal to the applicable Interest Period which appears on Reuters Screen LIBOR01 Page (or any applicable successor page) at approximately 11:00 a.m. (London time) two (2) London Banking Days prior to the first day of the applicable Interest Period. If, for any reason, such rate does not appear on Reuters Screen LIBOR01 Page (or any applicable successor page), then "LIBOR" shall be determined by the Administrative Agent to be the arithmetic average of the rate per annum at which deposits in Dollars in minimum amounts of at least $5,000,000 would be offered by first class banks in the London interbank market to the Administrative Agent at approximately 11:00 a.m. (London time) two (2) London Banking Days prior to the first day of the applicable Interest Period for a period equal to such Interest Period.

"Eurodollar Rate" means a rate per annum determined by the Administrative Agent pursuant to the following formula:

$$\text{Eurodollar Rate} = \frac{\text{Eurodollar Base Rate}}{1.00 - \text{Eurodollar Reserve Percentage}}$$

Where,

"Eurodollar Reserve Percentage" means, for any day, the percentage which is in effect for such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any basic, supplemental or emergency reserves) in respect of eurocurrency liabilities or any similar category of liabilities for a member bank of the Federal Reserve System in New York City.

Each calculation by the Administrative Agent of the Eurodollar Rate shall be presumed correct for all purposes, absent manifest error. Notwithstanding the foregoing, if the Eurodollar Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Event of Default" has the meaning specified in Section 7.1.

"Exchange Act" means the United States Securities and Exchange Act of 1934.

"Excluded Accounts" means, with respect to each Credit Party, each deposit account, to the extent used exclusively and solely for (a) payroll accounts containing a balance not exceeding by more than 5% the amount of payroll expenses for one payroll period at any time, (b) tax withholding accounts, (c) employee benefit trust accounts, (d) zero balance accounts (other than lockbox accounts to the extent Account Control Agreements are permitted by the applicable depository bank), (e) petty cash accounts containing a balance not exceeding $25,000 per account at any time and not to exceed $250,000 for all such accounts in the aggregate, (f) trust accounts holding royalty payment and working interest payments solely to the extent constituting property of a third party held in trust, (g) the General Unsecured Claims Account and (h) cash collateral accounts subject to Permitted Liens.

"Excluded Property" means, collectively, (a) any Excluded Contracts (as defined in the Security Agreement), (b) any "intent to use" applications for trademark or service mark registrations filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. §1051, unless and until an "Amendment to Allege Use" or a "Statement of Use" under Section 1(c) or Section 1(d) of Lanham Act has been filed, solely to the extent that such a grant of a security interest therein prior to such filing would impair the validity or enforceability of any registration that issues from such "intent to use" application, (c) any Equity Interests of Unrestricted Subsidiaries, (d) Equity Interests in Lake Canyon Transportation and Gathering, LLC, a Utah limited liability company ("Lake Canyon"), until the earliest to occur of (i) the date on which Lake Canyon shall become a Subsidiary under this Agreement, (ii) the date on which Lake Canyon shall acquire any Oil and Gas properties, and (iii) the date on which the Borrower makes any additional investments in Lake Canyon permitted hereunder, and (e) Property owned by any Credit Party on the date hereof or hereafter acquired that is subject to a Lien that secures Purchase Money Debt or Capital Leases permitted to be incurred pursuant to the provisions of this Agreement if the contract or other agreement in which such Lien is granted (or the documentation providing for such Capital

Lease) expressly provides for (i) the abandonment, invalidation or unenforceability of any right, title or interest of any Credit Party therein or (ii) a breach or termination pursuant to the terms of, or a default under, any such contract or agreement (other than, in any case, to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law or principles of equity), in each case, in the event such Property were to be made subject to a contractual Lien in favor of a third party, provided however, that such Property shall not be Excluded Property at such time as the provision causing such abandonment, invalidation or unenforceability shall cease to be applicable, and, to the extent severable, any portion of such Property that does not result in any of the consequences specified herein shall not be Excluded Property.

"Excluded Swap Obligations" means, with respect to any Credit Party other than the Borrower, any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Credit Party of, or the grant by such Credit Party of a security interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Credit Party's 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 Credit Party or the grant of such security interest becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in an Advance or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Advance or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.14) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.13, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Lender's failure to comply with Section 2.13(g) or (h) and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain Credit Agreement dated as of February 28, 2017 among the Parent, the Borrower and Wells Fargo Bank, National Association, as administrative agent, as amended, restated, supplemented or otherwise modified as of the date hereof.

"Existing Letters of Credit" means, collectively, the letters of credit issued under the Existing Credit Agreement described on Schedule 1.1 hereof.

"Extraordinary Receipts" means (a) with respect to any Asset Sale, all cash and Liquid Investments received by a Credit Party from such Asset Sale after payment of, or provision for, all reasonably estimated cash taxes attributable to such Asset Sale and payable by such Credit Party (and, in the case of a Credit Party that is treated as a disregarded entity or partnership for U.S. federal income tax purposes, reasonably estimated cash taxes payable by such Credit Party's direct or indirect owners), other out of pocket fees and expenses actually incurred by such Credit Party directly in connection with such Asset Sale, amounts required to be reserved for indemnification, adjustment of purchase price or similar obligations pursuant to the agreements governing such Asset Sale, and amounts required to be applied to the repayment of Debt secured by a Lien expressly permitted hereunder on any asset that is the subject of such Asset Sale (b) with respect to any settlement or litigation proceeding resulting in the receipt of cash proceeds in excess of $1,000,000, the proceeds of such settlement or litigation proceeding after payment of all out of pocket fees and expenses actually incurred in connection with such settlement or proceeding, (c) with respect to any Casualty Event (other than a Casualty Event of any Oil and Gas Properties or other property integral to any Oil and Gas Properties, so long as such proceeds are reinvested by the applicable Credit Party), the insurance proceeds or award or other compensation as a result of a Casualty Event after payment of all out of pocket fees and expenses actually incurred by the applicable Credit Party to receive such proceeds, and (d) with respect to any novation, assignment, unwinding, termination, or amendment of any hedge position or any other Hedging Arrangement, the sum of the cash and Liquid Investments received by any Credit Party in connection with such transaction after giving effect to any netting agreements and reasonable related out of pocket expenses.

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

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate charged to the Administrative Agent (in its individual capacity) on such day on such transactions as determined by the Administrative Agent and (c) in no event shall the Federal Funds Rate be less than zero.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System or any of its successors.

"Fee Letters" means, collectively, (i) that certain Agency Fee Letter dated as of July 6, 2017 among the Borrower, the Administrative Agent and Wells Fargo Securities, LLC, and (ii) that certain Lender Fee Letter dated as of July 6, 2017 among the Borrower, the Lead Arrangers and the Lenders party thereto.

"First Scheduled Redetermination Date" means November 1, 2017.

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

"Forecasted Production" means the projected production of oil or gas or natural gas liquids (measured by volume unit or BTU equivalent, not sales price) for the term of the contracts or a particular month, as applicable, from Oil and Gas Properties owned by a Credit Party which are located in or offshore of the United States, as reasonably approved by the Administrative Agent.

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

"Fronting Exposure" means, at any time there is a Defaulting Lender, such Defaulting Lender's Pro Rata Share of the outstanding Letter of Credit Obligations with respect to Letters of Credit issued by the Issuing Lender other than Letter of Credit Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

"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 activities.

"GAAP" means United States of America generally accepted accounting principles as in effect from time to time, applied on a basis consistent with the requirements of Section 1.3.

"General Unsecured Claims Account" means account number xxxx8060, held by the Borrower at Amegy Bank, in which funds have been deposited solely to satisfy general unsecured claims under the restructuring proceeding of the Borrower and certain of its Affiliates; provided that, (a) amounts on deposit in such account in no event exceeds the amount of such general unsecured claims then outstanding and (b) such account shall cease to be an Excluded Account when such general unsecured claims have been settled or paid.

"Governmental Authority" means, with respect to any Person, the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, bureau, 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) having jurisdiction over such Person.

"Guarantors" means (a) the Parent, (b) the Borrower, (c) the Restricted Subsidiaries of the Borrower, and (d) the Intermediate Holdco (if applicable).

"Guaranty" means, each individually and collectively, (i) Article IX hereof, and (ii) each Guaranty Agreement (or joinder thereto pursuant to the terms thereof) executed in substantially the same form as Exhibit C.

"Hazardous Substance" means any substance or material identified as such pursuant to CERCLA and those regulated under any other Environmental Law, including without limitation pollutants, contaminants, petroleum, petroleum products, radionuclides, and radioactive materials.

"Hazardous Waste" means any substance or material regulated or designated as such pursuant to any Environmental Law, including without limitation, pollutants, contaminants, flammable substances and materials, explosives, radioactive materials, oil, petroleum and petroleum products, chemical liquids and solids, polychlorinated biphenyls, asbestos, toxic substances, and similar substances and materials.

"Hedge Event" means any unwind or early termination to any Hedging Arrangement of a Credit Party, or the entering into of any transaction (including any novation or assignment by a Credit Party or any amendment) that has the net effect of offsetting, terminating or unwinding any Hedging Arrangement of a Credit Party.

"Hedging Arrangement" means a hedge, call, put, swap, collar, floor, cap, option, swaption, forward sale or purchase or other similar contract or similar arrangement (including any obligations to purchase or sell any commodity or security at a future date for a specific price) which is entered into to reduce or eliminate or otherwise protect against the risk of fluctuations in prices or rates, including interest rates, foreign exchange rates, commodity prices and securities prices.

"Hugoton Assets" means those certain Oil and Gas Properties (and certain other associated assets) sold by the Borrower pursuant to the Hugoton PSA.

"Hugoton PSA" means that certain Purchase and Sale Agreement dated as of June 30, 2017 by and among the Borrower, as seller, and Scout Energy Group III, LP, as buyer.

"Hydrocarbons" means oil, gas, coal seam gas, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, and all other liquid and gaseous hydrocarbons produced or to be produced in conjunction therewith from a well bore and all products, by-products, and other substances derived therefrom or the processing thereof, and all other minerals and substances produced in conjunction with such substances, including, but not limited to, sulfur, geothermal steam, water, carbon dioxide, helium, and any and all minerals, ores, or substances of value and the products and proceeds therefrom.

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

"Independent Engineer" means DeGolyer and MacNaughton, or any other engineering firm reasonably acceptable to the Administrative Agent.

"Independent Engineering Report" means a report, in form and substance satisfactory to the Administrative Agent, in its reasonable discretion prepared by an Independent Engineer, addressed to the Administrative Agent and the Lenders with respect to the Oil and Gas Properties owned by any Credit Party (or to be acquired by a Credit Party) which are or are to be included in the Borrowing Base, which report shall (a) specify the location, quantity, and type of the estimated Proven Reserves attributable to such Oil and Gas Properties, (b) contain a projection of the rate of production of such Oil and Gas Properties, (c) contain an estimate of the net operating revenues to be derived from the production and sale of Hydrocarbons from such Proven Reserves based on product price and cost escalation assumptions specified by the Administrative Agent and the Lenders, and (d) contain such other information as is customarily obtained from and provided in such reports.

"Initial Engineering Report" means, collectively, (a) the reserve report dated April 1, 2017 prepared by the Borrower evaluating the Proven Reserves of the Credit Parties to be included in the calculation of the initial Borrowing Base (other than the Acquired Linn Assets), and (b) a reserve report dated as of a date acceptable to the Administrative Agent prepared by DeGolyer and MacNaughton evaluating the Acquired Linn Assets consisting of PDP Reserves.

"Initial Financial Statements" means (i) the unaudited consolidated balance sheet and related statements of operations, shareholders' equity and cash flows for the Parent and its Subsidiaries as of the end of and for the fiscal quarter ended March 31, 2017, and (ii) a pro forma unaudited consolidated balance sheet of the Parent and its Subsidiaries of the Closing Date, after giving effect to the Linn Acquisition (and, if the Specified Hugoton Assets Sale is consummated on the Closing Date, after giving effect thereto).

"Interest Period" means for each Eurodollar Advance comprising part of the same Borrowing, the period commencing on the date of such Eurodollar Advance is made or deemed made and ending on the last day of the period selected by the Borrower pursuant to the provisions below and Section 2.4, and thereafter, each subsequent period commencing on the day following the last day of the immediately preceding Interest Period and ending on the last day of the period selected by the Borrower pursuant to the provisions below and Section 2.4. The duration of each such Interest Period shall be one, two, three, or six months, in each case as the Borrower may select, provided that:

(a) Interest Periods commencing on the same date for Advances comprising part of the same Borrowing shall be of the same duration;

(b) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, provided that if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day;

(c) any Interest Period which begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month in which it would have ended if there were a numerically corresponding day in such calendar month; and

(d) the Borrower may not select any Interest Period for any Advance which ends after the Maturity Date.

"Intermediate Holdco" means a wholly-owned Subsidiary of the Parent created after the Closing Date solely to hold 100% of the Equity Interests of the Borrower (directly) and that otherwise also complies with Section 6.23.

"Internal Engineering Report" means a report, in form and substance satisfactory to the Administrative Agent, in its reasonable discretion prepared by the Borrower and certified by a Responsible Officer, addressed to the Administrative Agent and the Lenders with respect to the Oil and Gas Properties owned by any Credit Party (or to be acquired by a Credit Party) which are or are to be included in the Borrowing Base, which report shall (a) specify the location, quantity, and type of the estimated Proven Reserves attributable to such Oil and Gas Properties, (b) contain a projection of the rate of production of such Oil and Gas Properties, (c) contain an estimate of the net operating revenues to be derived from the production and sale of Hydrocarbons from such Proven Reserves based on product prices and cost escalation assumptions specified by the Administrative Agent, and (d) contain such other information as is customarily obtained from and provided in such reports or is otherwise reasonably requested by the Administrative Agent or any Lender.

"Investment Conditions" means, both before and after giving effect to such investment, (i) no Default or Event of Default exists, (ii) no Borrowing Base Deficiency exists, (iii) Availability, is equal to or greater than 10% of the then effective Borrowing Base, and (iv) the Parent demonstrates a pro forma Leverage Ratio of less than or equal to 3.00 to 1.00 (with Consolidated EBITDAX being calculated based on the financial statements most recently provided and Debt being calculated as of the date of the applicable transaction and after giving effect thereto).

"IRS" means the United States Internal Revenue Service.

"Issuing Lender" means Wells Fargo in its capacity as a Lender that issues Letters of Credit for the account of any Credit Party pursuant to the terms of this Agreement.

"Lead Arrangers" means (i) Wells Fargo Securities, LLC, (ii) BMO Capital Markets Corp., and (iii) KeyBanc Capital Markets Inc.

"Leases" means all oil and gas leases, oil, gas and mineral leases, oil, gas and casinghead gas leases or any other instruments, agreements, or conveyances under and pursuant to which the owner thereof has or obtains the right to enter upon lands and explore for, drill, and develop such lands for the production of Hydrocarbons.

"Legal Requirement" means any law, statute, ordinance, decree, requirement, order, judgment, rule, regulation (or official interpretation of any of the foregoing) of, and the terms of any license or permit issued by, any Governmental Authority, including, but not limited to, Regulations T, U and X.

"Lenders" means the Persons listed on the signature pages hereto as Lenders, any other Person that shall have become a Lender hereto pursuant to Section 2.14 and any other Person that shall have become a Lender hereto pursuant to an Assignment and Assumption, but in any event, excluding any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

"Letter of Credit" means any standby letter of credit issued or deemed issued by the Issuing Lender for the account of a Credit Party (including, without limitation, the Existing Letters of Credit) pursuant to the terms of this Agreement, in such form as may be agreed by the Borrower and the Issuing Lender.

"Letter of Credit Application" means the Issuing Lender's standard form letter of credit application for standby letters of credit which has been executed by the Borrower and accepted by such Issuing Lender in connection with the issuance of a Letter of Credit.

"Letter of Credit Documents" means all Letters of Credit, Letter of Credit Applications and amendments thereof, and agreements, documents, and instruments entered into in connection therewith or relating thereto.

"Letter of Credit Exposure" means, at the date of its determination by the Administrative Agent, the aggregate outstanding amount available for drawing under all Letters of Credit plus the aggregate unpaid amount of all of the Borrower's reimbursement obligations under drawn Letters of Credit.

"Letter of Credit Fees" means fees payable pursuant to Section 2.7(b)(i).

"Letter of Credit Maximum Amount" means the sum of (i) $25,000,000, plus (ii) at any time, the undrawn and available maximum amount that is then available to be drawn under any issued and outstanding Default Interest Letter of Credit; provided that, on and after the Maturity Date, the Letter of Credit Maximum Amount shall be zero.

"Letter of Credit Obligations" means any obligations of the Borrower under this Agreement in connection with the Letters of Credit.

"Leverage Ratio" means, as of the end of each fiscal quarter, the ratio of (a) the Consolidated Total Debt as of the last day of such fiscal quarter to (b) Consolidated EBITDAX for the Test Period then ended.

"Lien" means any mortgage, lien, pledge, charge, deed of trust, security interest, or encumbrance to secure or provide for the payment of any obligation of any Person, whether arising by contract, operation of law, or otherwise (including the interest of a vendor or lessor under any conditional sale agreement, Capital Lease, or other title retention agreement).

"Linn Acquisition" means the Acquisition by the Borrower of certain Oil and Gas Properties (together with certain other associated assets) from the Linn Sellers pursuant to the Linn Acquisition Documents.

"Linn Acquisition Documents" means, collectively, (a) the Linn PSA, and (b) all bills of sale, assignments, agreements, instruments and documents executed and delivered in connection therewith on the Closing Date, in each case, in form and substance satisfactory to the Administrative Agent.

"Linn PSA" means that certain Purchase and Sale Agreement dated as of May 23, 2017 by and among the Linn Sellers and the Borrower, as in effect on May 23, 2017.

"Linn Sellers" means, collectively, (a) Linn Energy Holdings, LLC, (b) Linn Operating, LLC, and (c) Linn Midstream, LLC.

"Liquidity" means the sum of (a) the Credit Parties' unrestricted cash and Liquid Investments *plus* (b) Availability (after giving effect to the initial Borrowings and the issuance of any initial Letters of Credit).

"Liquid Investments" means (a) readily marketable direct full faith and credit obligations of the United States of America or obligations unconditionally guaranteed by the full faith and credit of the United States of America; (b) commercial paper issued by (i) any Lender or any Affiliate of any Lender or (ii) any commercial banking institutions or corporations rated at least P-1 by Moody's or A-1 by S&P; (c) certificates of deposit, time deposits, and bankers' acceptances issued by (i) any of the Lenders or (ii) any other commercial banking institution which is a member of the Federal Reserve System and has a combined capital and surplus and undivided profits of not less than $250,000,000 and rated Aa by Moody's or AA by S&P; (d) repurchase agreements which are entered into with any of the Lenders or any major money center banks included in the commercial banking institutions described in clause (c) and which are secured by readily marketable direct full faith and credit obligations of the government of the United States of America or any agency thereof; (e) investments in any money market fund which holds investments substantially of the type described in the foregoing clauses (a) through (d); (f) readily and immediately available cash held in any money market account maintained with any Lender; provided that, such money market accounts and the funds therein shall be unencumbered and free and clear of all Liens and other third party rights other than a Lien in favor of the Administrative Agent pursuant to the Security Documents and Liens imposed by statutory law to the extent such Liens are permitted hereunder; and (g) other investments made through the Administrative Agent or its Affiliates and approved by the Administrative Agent; provided that all the Liquid Investments described in clauses (a) through (d) above shall have maturities of not more than 365 days from the date of issue.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank Eurodollar market.

"Majority Lenders" means (a) at any time when there are two or more Lenders, Lenders holding more than 50% of the aggregate Maximum Exposure Amount and (b) at any time when there is only one Lender, such Lender; provided that, if there are two or more Lenders, the Commitment of, and the portion of the Advances and Letter of Credit Exposure held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Majority Lenders unless all Lenders are Defaulting Lenders.

"Material Adverse Change" means an event, development or circumstance that has had a material adverse effect (a) on the financial condition, business or operations of the Borrower and the other Credit Parties taken as a whole; (b) on the Borrower's ability or the Credit Parties' ability, as a whole, to perform their obligations under this Agreement or any other Credit Document; (c) on the rights or remedies of any Secured Party under any Credit Document; or (d) on the validity or enforceability of this Agreement or any of the other Credit Documents.

"Maturity Date" means the earlier of (a) July 29, 2022 and (b) the earlier termination in whole of the Commitments pursuant to Section 2.1(c) or Article 7.

"Maximum Exposure Amount" means, at any time for each Lender, the sum of (a) the unfunded Commitment held by such Lender at such time; plus (b) the aggregate unpaid principal amount of the Note held by such Lender at such time, (with the aggregate amount of such Lender's risk participation and funded participation in the Letter of Credit Exposure (including any such Letter of Credit Exposure that has been reallocated pursuant to Section 2.16) being deemed as unpaid principal under such Lender's Note).

"Maximum Rate" means the maximum nonusurious interest rate under applicable law.

"Minimum Collateral Amount" means, at any time, (i) with respect to Cash Collateral consisting of cash or deposit account balances, an amount equal to 103% of the Fronting Exposure of the Issuing Lender with respect to Letters of Credit issued and outstanding at such time and (ii) otherwise, an amount determined by the Administrative Agent and the Issuing Lender in its sole discretion.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto which is a nationally recognized statistical rating organization.

"Mortgage" means each mortgage or deed of trust in substantially the same form as Exhibit D, or other form reasonably acceptable to the Administrative Agent, executed by any Credit Party to secure all or a portion of the Secured Obligations.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA to which the Borrower or any member of the Controlled Group is making or accruing an obligation to make contributions.

"Net Cash Proceeds" means, with respect to the sale or issuance of any capital stock or other Equity Interest by a Credit Party, the excess of (i) the sum of the cash and Liquid Investments received in connection with such sale or issuance over (ii) the underwriting discounts and commissions, and other out-of-pocket fees and expenses, incurred by such Credit Party in connection with such sale or issuance.

"Non-Consenting Lender" means any Lender that does not approve (i) any consent, waiver or amendment that (A) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 10.3, and (B) has been approved by the Majority Lenders, or (ii) any redetermination of the Borrowing Base which has been approved by the Super-Majority Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-Recourse" means, with respect to any Person, any Debt or other obligations, if (a) such Person is not obligated to provide credit support for such Debt or other obligations in any form (including any undertaking, agreement or instrument that would constitute Debt or a Lien), (b) such Person is not directly or indirectly liable for such Debt or other obligations and (c) the holder of such Debt or other obligations has no recourse to such Person or any of such Person's assets in connection with Debt or other obligations.

"Note" means a promissory note of the Borrower payable to a Lender or its registered assigns in the amount of such Lender's Commitment, in substantially the same form as Exhibit E, evidencing indebtedness of the Borrower to such Lender resulting from Advances owing to such Lender.

"Notice of Borrowing" means a Notice of Borrowing signed by the Borrower in substantially the same form as Exhibit F.

"Notice of Continuation or Conversion" means a notice of continuation or conversion signed by the Borrower in substantially the same form as Exhibit G.

"Obligations" means all principal, interest (including post-petition interest), fees, reimbursements, indemnifications, and other amounts now or hereafter owed by any of the Credit Parties to the Lenders, the Issuing Lender or the Administrative Agent under this Agreement and the Credit Documents, including, the Letter of Credit Obligations, and any increases, extensions, and rearrangements of those obligations under any amendments, supplements, and other modifications of the documents and agreements creating those obligations.

"Oil and Gas Properties" means (a) Hydrocarbons; (b) the Properties now or hereafter pooled or unitized with Hydrocarbons; (c) all presently existing or future unitization, pooling agreements and declarations of pooled units and the units created thereby (including without limitation all units created under orders, regulations and rules of any Governmental Authority) which may affect all or any portion of the Hydrocarbons; (d) all Leases, operating agreements, contracts and other agreements, including production sharing contracts and agreements, which relate to any of the Hydrocarbons or the lands pooled or unitized therewith, or the production, sale, purchase, exchange, treatment, processing, handling, storage, transporting or marketing of Hydrocarbons from or attributable to such Hydrocarbons or the lands pooled or unitized

therewith; (e) all Hydrocarbons in and under and which may be produced and saved or attributable to the Hydrocarbons or the lands pooled or unitized therewith, including all oil in tanks, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to the Hydrocarbons or the lands pooled or unitized therewith; (f) all tenements, hereditaments, appurtenances and Properties in any manner appertaining, belonging, affixed or incidental to the Hydrocarbons or the lands pooled or unitized therewith and (g) all Properties, rights, titles, interests and estates, real or personal, now owned or hereafter acquired and situated upon, or used, held for use or useful in connection with the operating, working or development of any of such Hydrocarbons or lands pooled or unitized therewith, or with the production, sale, purchase, exchange, treatment, processing, handling, storage, transporting or marketing of Hydrocarbons from or attributable to such Hydrocarbons or the lands pooled or unitized therewith, including any and all oil wells, gas wells, injection wells or other wells, buildings, structures, fuel separators, liquid extraction plants, plant compressors, pumps, pumping units, pipelines, sales and flow lines, gathering lines and systems, field gathering systems, salt water disposal facilities, tanks and tank batteries, processing plants, cogeneration facilities, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, facilities, appliances, tools, implements, cables, wires, towers, casing, tubing and rods, surface leases, rights-of-way, easements, servitudes, licenses and other surface and subsurface rights together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing. Unless otherwise indicated herein, each reference to the term "Oil and Gas Properties" shall mean Oil and Gas Properties of the Credit Parties.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Advance or Credit 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 Credit Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.14(b)).

"Parent" has the meaning given in the opening paragraph.

"Participant" has the meaning set forth in Section 10.7(d).

"Participant Register" has the meaning set forth in Section 10.7(d).

"Patriot Act" means the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"Payment in Full of Obligations" means: (a) the termination of this Agreement, (b) the payment in full of the Obligations (other than contingent indemnification and expense reimbursement obligations that are, in each case, not then due and owing), (c) the termination and return of all Letters of Credit (other than Letters of Credit that are Cash Collateralized or as to which arrangements satisfactory to the Issuing Lender in its sole discretion have been made), (d) the termination or novation of all Hedging Arrangements with a Swap Counterparty and payment in full of all amounts owing thereunder (other than Hedging Arrangements as to which arrangements satisfactory to the Swap Counterparty in its sole discretion have been made), (e) the termination in full of the Commitments, and (f) the termination and payment in full of all Banking Services Obligations (other than with respect to Banking Services as to which arrangements satisfactory to the Banking Services Provider in its sole discretion have been made).

"PBGC" means the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

"PDP Reserves" means the Proven Reserves which are categorized as both "developed" and "producing" under the definitions for oil and gas reserves promulgated by the Society of Petroleum Evaluation Engineers (or any generally recognized successor) as in effect at the time in question and reasonably acceptable to the Administrative Agent.

"Permit" means any approval, certificate of occupancy, consent, waiver, exemption, variance, franchise, order, permit, authorization, right or license of or from any Governmental Authority, including without limitation, an Environmental Permit.

"Permitted Debt" has the meaning set forth in Section 6.1.

"Permitted Holders" means the Sponsors.

"Permitted Investments" has the meaning set forth in Section 6.3.

"Permitted Liens" has the meaning set forth in Section 6.2.

"Person" means an individual, partnership (general or limited), corporation (including a business trust), joint stock company, trust, limited liability company, limited liability partnership, unincorporated association, joint venture, or other entity, or a government or any political subdivision or agency thereof, or any trustee, receiver, custodian, or similar official.

"Plan" means an employee benefit plan (other than a Multiemployer Plan) maintained for employees of the Borrower or any member of the Controlled Group and covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code.

"Plan of Reorganization" has the meaning given in the Existing Credit Agreement.

"Pledge Agreement" means the Pledge Agreement substantially in the form of Exhibit H.

"Pricing Grid" means the pricing information set forth in Schedule II.

"Prime Rate" means the per annum rate of interest established from time to time by the Administrative Agent at its principal office in San Francisco as its prime rate, which rate may not be the lowest rate of interest charged by such Lender to its customers.

"Property" of any Person means any property or assets (whether real, personal, or mixed, tangible or intangible) of such Person, including but not limited to, Oil and Gas Properties and Hedging Arrangements.

"Pro Rata Share" means, at any time with respect to any Lender, (i) the ratio (expressed as a percentage) of such Lender's Commitment at such time to the aggregate Commitments at such time, or (ii) if all of the Commitments have been terminated, the ratio (expressed as a percentage) of such Lender's aggregate outstanding Advances at such time to the total aggregate outstanding Advances at such time.

"Proven Reserves" means "Proved Reserves," as defined in the Definitions for Oil and Gas Reserves as promulgated by Society of Petroleum Engineers (or any generally recognized successor), attributable to Oil and Gas Properties included or to be included in the Borrowing Base.

"Purchase Money Debt" means Debt, the proceeds of which are used to finance (or refinance) the acquisition, construction, or improvement of inventory, equipment or other Property in the ordinary course of business; provided, however, that such Debt is incurred no later than 120 days after such acquisition or the completion of such construction or improvement.

"PV10" means estimated future net revenue, discounted at a rate of 10% per annum, after income Taxes and with no price or cost escalation or de-escalation in accordance with guidelines promulgated by the SEC, using the Administrative Agent's price deck.

"Qualified ECP Guarantor" means, in respect of any Swap Obligation, each Credit Party that has total assets exceeding $10,000,000 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.

"Qualified IPO" means an offer and sale of Equity Interests of the Parent, generating (individually or in the aggregate together with any other public offering) gross proceeds equal to or greater than $250 million, in an underwritten public offering for cash pursuant to a registration statement that has been declared effective by the SEC pursuant to the Securities Act (other than a registration statement on Form S-4 or Form S-8 or otherwise relating to Equity Interests of the Parent issuable under any employee benefit plan), whether alone or in connection with a secondary public offering, by a reputable nationally recognized investment bank pursuant to which the Equity Interests of the Parent will be listed or traded on the Nasdaq National Market, The New York Stock Exchange, or other nationally known stock exchange.

"Recipient" means (a) the Administrative Agent, (b) any Lender, and (c) the Issuing Lender, as applicable.

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

"Register" has the meaning set forth in Section 10.7(c).

"Regulations T, U, and X" means Regulations T, U, and X of the Federal Reserve Board, as each is from time to time in effect, and all official rulings and interpretations thereunder or thereof. Each of Regulations T, U, or X may be referred to individually as Regulation T, Regulation U, or Regulation X herein.

"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.

"Release" shall have the meaning set forth in CERCLA or under any other Environmental Law.

"Replacement Hedging Contract" means any Hedging Arrangement entered into by the end of the Business Day immediately succeeding the day on which a Hedge Event occurs.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA as to which the PBGC has not waived the requirements of Section 4043(a) of ERISA that it be notified of such event.

"Required Lenders" means (a) at any time when there are two or more Lenders, Lenders holding at least 66 2/3% of the aggregate Maximum Exposure Amount and (b) at any time when there is only one Lender, such Lender; provided that, if there are two or more Lenders, the Commitment of, and the portion of the Advances and Letter of Credit Exposure held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders unless all Lenders are Defaulting Lenders.

"Reserve Report Certificate" has the meaning set forth in Section 5.2(c)(iv).

"Response" shall have the meaning set forth in CERCLA or under any other Environmental Law.

"Responsible Officer" means (a) with respect to any Person that is a corporation, such Person's Chief Executive Officer, President, Chief Financial Officer, Chief Operating Officer, or Vice President, (b) with respect to any Person that is a limited liability company, if such Person has officers, then such Person's Chief Executive Officer, President, Chief Financial Officer, Chief Operating Officer, or Vice President, and if such Person is managed by members, then a Responsible Officer of such Person's managing member, and if such Person is managed by managers, then a manager (if such manager is an individual) or a Responsible Officer of such manager (if such manager is an entity), and (c) with respect to any Person that is a general partnership, limited partnership or a limited liability partnership, a Responsible Officer of such Person's general partner or partners. Unless expressly provided otherwise, all references herein and in any other Credit Documents to any "Responsible Officer" means a Responsible Officer of the Borrower.

"Restricted Payment" means, with respect to any Person, (a) any direct or indirect dividend or distribution (whether in cash, securities or other Property) or any direct or indirect payment of any kind or character (whether in cash, securities or other Property) made in connection with the Equity Interests of such Person, including those dividends, distributions and payments made in consideration for or otherwise in connection with any retirement, purchase, redemption or other acquisition of any Equity Interest of such Person, or any options, warrants or rights to purchase or acquire any such Equity Interest of such Person or (b) principal or interest payments (in cash, Property or otherwise) on, or redemptions of, Subordinated Debt of such Person; provided that the term "Restricted Payment" shall not include any dividend or distribution payable solely in common Equity Interests of such Person or warrants, options or other rights to purchase such Equity Interests.

"Restricted Subsidiary" means (i) any Subsidiary of the Borrower other than any Unrestricted Subsidiary, and (ii) the Intermediate Holdco.

"S&P" means Standard & Poor's Rating Agency Group, a division of McGraw-Hill Companies, Inc., or any successor thereof which is a national credit rating organization.

"Sanction(s)" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered the Office of Foreign Assets Control of the United States Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state or Her Majesty's Treasury of the United Kingdom.

"Sanctioned Country" means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (as of the Closing Date, Crimea, 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 the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing subsections (a) or (b).

"SEC" means the Securities and Exchange Commission or any Governmental Authority succeeding to any or all of the functions of said Commission.

"Secured Obligations" means (a) the Obligations, (b) the Banking Services Obligations, and (c) all obligations of any of the Credit Parties owing to Swap Counterparties under any Hedging Arrangements; provided, however that "Secured Obligations" shall not include the Excluded Swap Obligations.

"Secured Parties" means the Administrative Agent, the Issuing Lender, the Lenders, the Swap Counterparties and Banking Service Providers.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Security Agreement" means the Security Agreement among the Credit Parties and the Administrative Agent in substantially the same form as Exhibit I.

"Security Documents" means, collectively, the Mortgages, Security Agreement, the Pledge Agreement, the Transfer Letters and any and all other instruments, documents or agreements, including Account Control Agreements, now or hereafter executed by any Credit Party or any other Person to secure the Secured Obligations.

"Semi-Annual Redetermination" has the meaning assigned to such term in Section 2.2(b).

"Solvent" means, as to any Person, on the date of any determination (a) the fair value of the Property of such Person is greater than the total amount of debts and other liabilities (including without limitation, contingent liabilities) of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts and other liabilities (including, without limitation, contingent liabilities) as they become absolute and matured, (c) such Person is able to realize upon its assets and pay its debts and other liabilities (including, without limitation, contingent liabilities) as they mature in the normal course of business, (d) such Person does not intend to, and does not believe that it will, incur debts or liabilities (including, without limitation, contingent liabilities) beyond such Person's ability to pay as such debts and liabilities mature, (e) such Person is not engaged in, and is not about to engage in, business or a transaction for which such Person's Property would constitute unreasonably small capital, and (f) such Person has not transferred, concealed or removed any Property with intent to hinder, delay or defraud any creditor of such Person.

"Specified Acquisition Agreement Representations" means the representations and warranties in the Linn PSA made by or on behalf of the Linn Sellers and their subsidiaries as are material to the interests of the Lenders, but only to the extent that the Borrower has (and/or the Borrower's applicable Affiliate has) the right to terminate its (and/or such applicable Affiliate's) obligations (in whole or in part) under the Linn PSA as a result of a breach of such representations and warranties in the Linn PSA.

"Specified Additional Debt" means any unsecured Debt incurred or issued by a Credit Party after the Closing Date pursuant to Section 6.1(g) and any refinancing of such Debt; provided that, any such Debt may be refinanced only to the extent that the aggregate principal amount of such refinancing Debt does not result in an increase in the principal amount thereof plus amounts to fund any original issue discount or upfront fees relating thereto plus amounts to fund accrued interest, fees, expenses and premiums (including make whole and prepayment premiums); provided further that, such Debt and any refinancing of such Debt does not: (a) prohibit the repayment or prepayment of any Obligations, (b) have a maturity date that is on or earlier than the date six months after the Maturity Date, (c) have any sinking fund payments, scheduled principal payments, or mandatory redemption obligations (other than customary redemption provisions in connection with changes in control that also constitute an Event of Default hereunder, or that arise from asset dispositions customarily regarded in the applicable

capital markets as triggering such redemption obligations) that are due on or prior to the date six months after the Maturity Date, or (d) impose representations, warranties, covenants, conditions, mandatory prepayments, events of default, remedies or other provisions similar to the foregoing that, taken as a whole, are materially more restrictive or burdensome than the comparable terms and provisions of this Agreement.

"Specified Hugoton Assets Sale" means the sale of all or substantially all of the Hugoton Assets by the Borrower for net cash proceeds in excess of $175,000,000.

"Specified Representations" means the representations and warranties set forth in Sections 4.1, 4.2, 4.3, 4.6, 4.7, 4.8, 4.12, 4.15, 4.19, 4.20(b), and 4.22.

"Sponsors" means Benefit Street Partners L.L.C., and Oaktree Capital Management.

"Subsidiary" means, with respect to any Person (the "holder") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the holder in the holder's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity, a majority of whose outstanding Voting Securities shall at any time be owned by the holder or one more Subsidiaries of the holder. Unless expressly provided otherwise, all references herein and in any other Credit Document to any "Subsidiary" or "Subsidiaries" means a Subsidiary or Subsidiaries of the Borrower.

"Subordinated Debt" means Debt of any Credit Party to any Person, the payment of principal, interest, fees and other amounts in respect of which has been explicitly subordinated to the payment of the Obligations on terms acceptable to the Administrative Agent in its sole discretion.

"Super-Majority Lenders" means (a) at any time when there are three or more Lenders, Lenders holding at least 80% or more of the aggregate Maximum Exposure Amount, (b) if two or fewer Lenders exist, then 100% of the Lenders, and (c) at any time when there is only one Lender, such Lender; provided that, if there are two or more Lenders, the Commitment of, and the portion of the Advances and Letter of Credit Exposure held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Super-Majority Lenders unless all Lenders are Defaulting Lenders.

"Swap Counterparty" a Person who (a) is a Lender or Affiliate of a Lender on the Closing Date and is a counterparty to a Hedging Arrangement with a Credit Party, which Hedging Arrangement was in effect on the Closing Date, or (b) was a Lender or an Affiliate of a Lender at the time it entered into a Hedging Arrangement with a Credit Party as permitted by the terms of this Agreement; provided that (i) when any Swap Counterparty assigns or otherwise transfers any interest held by it under any Hedging Arrangement to any other Person pursuant to the terms of such agreement, the obligations thereunder shall be secured by Liens under the Credit Documents only if such assignee or transferee is also then a Lender or an Affiliate of a Lender and (ii) if a Swap Counterparty ceases to be a Lender hereunder or an Affiliate of a Lender hereunder, obligations owing to such Swap Counterparty shall be secured by Liens under the

Credit Documents only to the extent such obligations arise from transactions under such individual Hedging Arrangements (and not the Master Agreement between such parties) entered into prior to the Closing Date or at the time such Swap Counterparty was a Lender hereunder or an Affiliate of a Lender hereunder, without giving effect to any extension, increases, or modifications thereof which are made after such Swap Counterparty ceases to be a Lender hereunder or an Affiliate of a Lender hereunder.

"Swap Obligation" means, with respect to any Credit Party other than the Borrower, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

"Syndication Agent" means Bank of Montreal.

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

"Termination Event" means (a) a Reportable Event with respect to a Plan, (b) the withdrawal of the Parent or any member of the Controlled Group from a Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, (c) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041(c) of ERISA, (d) the institution of proceedings to terminate a Plan by the PBGC, or (e) any other event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan.

"Test Period" shall mean, as of any date of determination, the four consecutive fiscal quarters of the Parent then last ended and for which financial statements have been delivered to the Administrative Agent pursuant to Section 5.2(a) or Section 5.2(b), as applicable.

"Transactions" means, collectively, (a) the initial Borrowings, the initial issuance of Letters of Credit and other extensions of credit under this Agreement, (b) the consummation of the Linn Acquisition, (c) the repayment in full of all outstanding Debt under the Existing Credit Agreement and the release of all Liens securing such Debt, (d) the other transactions contemplated by the Credit Documents (including, for the avoidance of doubt, the granting of Liens in favor of the Administrative Agent pursuant to the Security Documents, and (e) the payment of fees, interest, commissions and expenses in connection with each of the foregoing.

"Transfer Letters" means, collectively, the letters in lieu of transfer orders in substantially the form of the attached Exhibit J and executed by the Borrower or any other Credit Party executing a Mortgage.

"Type" has the meaning set forth in Section 1.4.

"Undisclosed Administration" means, in relation to a Lender or its direct or indirect parent company, the undisclosed appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian, or other similar official by a supervisory authority or regulator under or pursuant to the Dutch Financial Supervision Act 2007.

"Unrestricted Subsidiary" means any Subsidiary of the Borrower designated as such in writing to the Administrative pursuant to Section 6.26.

"Unused Commitment Amount" means, with respect to a Lender at any time, the lesser of (a) such Lender's Commitment at such time and (b) such Lender's Pro Rata Share of the Borrowing Base then in effect at such time minus, in each case the sum of (i) the aggregate outstanding principal amount of all Advances owed to such Lender at such time plus (ii) such Lender's Pro Rata Share of the aggregate Letter of Credit Exposure at such time.

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

"U.S. Tax Compliance Certificate" has the meaning assigned to such term in Section 2.13(g)(ii)(B)(iii).

"Utilization" means the percentage obtained by dividing (a) the outstanding principal amount of the Advances and the Letter of Credit Exposure at such time by (b) the lesser of the Commitments and the Borrowing Base at such time.

"Utilization Level" means the applicable category (being Level I, Level II, Level III, Level IV or Level V) of pricing criteria contained in Schedule II, which is at any time of its determination based on the Utilization.

"Voting Securities" means (a) with respect to any corporation, capital stock of the corporation having general voting power under ordinary circumstances to elect directors of such corporation (irrespective of whether at the time stock of any other class or classes shall have or might have special voting power or rights by reason of the happening of any contingency), (b) with respect to any partnership, any partnership interest or other ownership interest having general voting power to elect the general partner or other management of the partnership or other Person, and (c) with respect to any limited liability company, membership certificates or interests having general voting power under ordinary circumstances to elect managers of such limited liability company.

"Wells Fargo" means Wells Fargo Bank, National Association.

"Withholding Agent" means any Credit Party and the Administrative Agent.

"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 Computation of Time Periods. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding".

Section 1.3 Accounting Terms; Changes in GAAP.

(a) All accounting terms not specifically defined in this Agreement shall be construed in accordance with GAAP applied on a consistent basis with those applied in the preparation of the financial statements of the Parent delivered to the Administrative Agent for the fiscal year ended December 31, 2017 (or for periods before such financial statements are delivered, for the fiscal quarter ended March 31, 2017) other than such changes that have been disclosed to the Administrative Agent on the next date on which financial statements are required to be delivered to the Administrative Agent under Section 5.2.

(b) Unless otherwise indicated, all financial statements of the Parent, all calculations for compliance with covenants in this Agreement, and all calculations of any amounts to be calculated under the definitions in Section 1.1 shall be based upon the consolidated accounts of the Parent and its Restricted Subsidiaries in accordance with GAAP and consistent with the principles of consolidation applied in preparing the financial statements referred to in Section 4.4 other than such changes have been disclosed to the Administrative Agent on the next date on which financial statements are required to be delivered to the Administrative Agent under Section 5.2.

(c) If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Credit Document, and either the Borrower or the Majority Lenders shall so request, the Administrative Agent, the Lenders, the Parent and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Majority Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP as in effect immediately prior to such change therein and (ii) the Parent shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

Section 1.4 Types of Advances. Advances are distinguished by “Type”. The “Type” of an Advance refers to the determination of whether such Advance is a Base Rate Advance or a Eurodollar Advance.

Section 1.5 Miscellaneous. Article, Section, Schedule, and Exhibit references are to this Agreement, unless otherwise specified. All references to instruments, documents, contracts, and agreements (including this Agreement) are references to such instruments, documents, contracts, and agreements as the same may be amended, restated, supplemented, or otherwise modified from time to time, unless otherwise specified and shall include all schedules and exhibits thereto unless otherwise specified. Any reference herein to any law shall be construed as referring to such law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time. Any reference herein to any Person shall be construed to include such Person’s successors and assigns (subject to the restrictions contained herein). The words “hereof”, “herein”, and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The term “including” means “including, without limitation,”. Paragraph headings have been inserted in this Agreement as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Agreement and shall not be used in the interpretation of any provision of this Agreement.

ARTICLE 2
CREDIT FACILITIES

Section 2.1 Commitment for Advances.

(a) Advances. Each Lender severally agrees, on the terms and conditions set forth in this Agreement, to make Advances to the Borrower from time to time on any Business Day during the Availability Period in an amount for each Lender not to exceed such Lender's Unused Commitment Amount. Each Borrowing shall, (A) if comprised of Base Rate Advances and less than the aggregate amount of the Lenders' Unused Commitment Amounts, be in an aggregate amount not less than $1,000,000 and in integral multiples of $100,000 in excess thereof, (B) if comprised of Eurodollar Advances and less than the aggregate amount of the Lenders' Unused Commitment Amounts, be in an aggregate amount not less than $1,000,000 and in integral multiples of $100,000 in excess thereof, and (C) in each case shall consist of Advances of the same Type made on the same day by the Lenders ratably according to their respective Commitments. Within the limits of each Lender's Commitment, and subject to the terms of this Agreement, the Borrower may from time to time borrow, prepay pursuant to Section 2.5, and reborrow under this Section 2.1.

(b) Notes. The indebtedness of the Borrower to each Lender resulting from Advances owing to such Lender shall be evidenced by a Note payable to such Lender or its registered assigns if requested by such Lender or its registered assigns.

(c) Reduction of the Commitments. The Borrower shall have the right, upon at least two Business Days' irrevocable notice to the Administrative Agent, to terminate in whole or reduce in part the unused portion of the Commitments; provided that each partial reduction shall be in a minimum amount of $3,000,000 and in integral multiples of $1,000,000 in excess thereof. Any reduction or termination of the Commitments pursuant to this Section 2.1(c) shall be applied ratably to each Lender's Commitment and shall be permanent, with no obligation of the Lenders to reinstate such Commitments, and the applicable Commitment Fees shall thereafter be computed on the basis of the Commitments, as so reduced.

Section 2.2 Borrowing Base.

(a) Borrowing Base. The Borrowing Base in effect as of the Closing Date has been set by the Administrative Agent and the Lenders and acknowledged by the Borrower as $675,000,000; provided, that the Borrowing Base in effect on the Closing Date shall be $500,000,000 if the Specified Hugoton Assets Sale is consummated on or before the Closing Date. Such Borrowing Base shall remain in effect until the next redetermination or reduction made pursuant to this Section 2.2. The Borrowing Base shall be determined in accordance with the standards set forth in Section 2.2(d) and is subject to periodic redetermination pursuant to Sections 2.2(b), and 2.2(c) and reductions pursuant to Section 2.2(e), Section 2.2(f), Section 2.2(g) and Section 5.12.

(b) Semi-Annual Redeterminations.

The Borrowing Base shall be redetermined semi-annually in accordance with this Section 2.2(b) (a "Semi-Annual Redetermination"). Each Semi-Annual Redetermination shall be effectuated as follows:

(i) The Borrower shall deliver to the Administrative Agent, on or before each April 1 (or such date shortly thereafter as is reasonably acceptable to the Administrative Agent), beginning April 1, 2018, an Independent Engineering Report dated effective as of the immediately preceding January 1 (or dated effective as of such later date (but in any event, no later than March 1) reasonably acceptable to the Administrative Agent) and such other information as may be reasonably requested by the Administrative Agent or the Required Lenders with respect to the Oil and Gas Properties included or to be included in the Borrowing Base. The Administrative Agent shall promptly, and in any event within 15 days after the Administrative Agent and the Lenders' receipt of such Independent Engineering Report and other information, deliver to each Lender the Administrative Agent's recommendation for the redetermined Borrowing Base (for purposes of this subsection, the "Proposed Borrowing Base"). After having received notice of such proposal, the Lenders shall have 15 days to agree or disagree in writing with the Proposed Borrowing Base. If at the end of the 15 days, any Lender has not communicated its approval or disapproval to the Administrative Agent, such silence shall be deemed to be a disapproval of the Proposed Borrowing Base. If at the end of such 15 days, the Required Lenders (or all of the Lenders if the Borrowing Base is to be increased) have approved the Proposed Borrowing Base, then the Proposed Borrowing Base shall become the redetermined Borrowing Base, effective on or about May 1 of each year. To the extent that within such 15 day period the Administrative Agent has not received the requisite number of approvals from the Lenders, the Administrative Agent shall poll the Lenders to ascertain the highest Borrowing Base then acceptable to all of the Lenders, in the case of an increase in the Borrowing Base, or the Required Lenders, in the case of a decrease or maintenance of the Borrowing Base, and such amount shall become the new Borrowing Base on or about May 1 of each year. After a redetermined Borrowing Base is approved by the Required Lenders or all of the Lenders, as applicable, the Administrative Agent shall notify the Borrower of the amount of the redetermined Borrowing Base, and such redetermined Borrowing Base shall become effective.

(ii) The Borrower shall deliver to the Administrative Agent, on or before each October 1 (or such date shortly thereafter as is reasonably acceptable to the Administrative Agent), beginning October 1, 2017, an Internal Engineering Report dated effective as of the immediately preceding July 1 (or dated effective as of such later date (but in any event, no later than September 1) reasonably acceptable to the Administrative Agent), prepared in accordance with the procedures in the Independent Engineering Report effective as of the immediately preceding January 1 (or dated effective as of such later date agreed to by the Administrative Agent pursuant to Section 2.2(b)(i)) and such other information as may be reasonably requested by the Administrative Agent or the Required Lenders with respect to the Oil and Gas Properties included or to be included in the Borrowing Base. The Administrative Agent shall promptly, and in any event within 15 days after the Administrative Agent and the Lenders' receipt of such Internal

Engineering Report and other information, deliver to each Lender the Administrative Agent's recommendation for the redetermined Borrowing Base (for purposes of this subsection, the "Proposed Borrowing Base"). After having received notice of such proposal, the Lenders shall have 15 days to agree or disagree in writing with the Proposed Borrowing Base. If at the end of the 15 days, any Lender has not communicated its approval or disapproval to the Administrative Agent, such silence shall be deemed to be a disapproval of the Proposed Borrowing Base. If at the end of such 15 days, the Required Lenders (or all of the Lenders if the Borrowing Base is to be increased) have approved the Proposed Borrowing Base, then the Proposed Borrowing Base shall become the redetermined Borrowing Base, effective on or about November 1 of each year. To the extent that within such 15 day period the Administrative Agent has not received the requisite number of approvals from the Lenders, the Administrative Agent shall poll the Lenders to ascertain the highest Borrowing Base then acceptable to all of the Lenders, in the case of an increase in the Borrowing Base, or the Required Lenders, in the case of a decrease or maintenance of the Borrowing Base, and such amount shall become the new Borrowing Base on or about November 1 of each year. After a redetermined Borrowing Base is approved by the Required Lenders or all of the Lenders, as applicable, the Administrative Agent shall notify the Borrower of the amount of the redetermined Borrowing Base and such redetermined Borrowing Base shall become effective.

(iii) In the event that the Borrower does not furnish to the Administrative Agent and the Lenders the Independent Engineering Report, Internal Engineering Report or other information specified in clauses (i) and (ii) above by the date specified therein, the Administrative Agent and the Lenders may nonetheless redetermine the Borrowing Base and redesignate the Borrowing Base from time-to-time thereafter in their sole discretion, with notice of such redetermination promptly provided to the Borrower in writing. Upon receipt by the Administrative Agent of the relevant Independent Engineering Report, Internal Engineering Report, or other information, as applicable, the Administrative Agent and the Lenders shall redetermine the Borrowing Base as otherwise specified in this Section 2.2.

(iv) Each delivery of an Engineering Report by the Borrower to the Administrative Agent and the Lenders shall constitute a representation and warranty by the Borrower to the Administrative Agent and the Lenders that, unless otherwise disclosed to the Administrative Agent prior to or at the time of the delivery of such Engineering Report, (A) the Credit Parties, own the Oil and Gas Properties specified therein free and clear of any Liens (except Permitted Liens), (B) on and as of the date of such Engineering Report each Oil and Gas Property identified as PDP Reserves therein was developed for oil and gas, and the wells pertaining to such Oil and Gas Properties that are described therein as producing wells ("Wells"), were each producing oil and/or gas in paying quantities, except for Wells that were utilized as water or gas injection wells, carbon dioxide wells or as water disposal wells (each as noted in such Engineering Report), (C) the descriptions of quantum and nature of the record title interests of the Credit Parties, set forth in such Engineering Report include the entire record title interests of the Credit Parties in such Oil and Gas Properties, are complete and accurate in all material respects, and take into account all Permitted Liens, (D) there are no "back-in", "reversionary" or "carried" interests held by third parties which could reduce the interests

of the Credit Parties in such Oil and Gas Properties except as set forth in, or otherwise accounted for in, the Engineering Report, (E) no operating or other agreement to which any Credit Party is a party or by which any Credit Party is bound affecting any part of such Oil and Gas Properties requires any Credit Party to bear any of the costs relating to such Oil and Gas Properties greater than the record title interest of any Credit Party in such portion of such Oil and Gas Properties as set forth in such Engineering Report, except in the event any Credit Party is obligated under an operating agreement to assume a portion of a defaulting party's share of costs, and (F) the Credit Parties' ownership of the Hydrocarbons and the undivided interests in the Oil and Gas Properties as specified in such Engineering Report (i) will, after giving full effect to all Permitted Liens, afford the Credit Parties not less than those net interests (expressed as a fraction, percentage or decimal) in the production from or which is allocated to such Hydrocarbons specified as net revenue interest in such Engineering Report and (ii) will not cause the Credit Parties to bear more than that portion (expressed as a fraction, percentage or decimal), specified as working interest in such Engineering Report, of the costs of drilling, developing and operating the wells identified in such Engineering Report or identified in the exhibits to the Mortgages encumbering such Oil and Gas Properties (except for any increases in working interest with a corresponding increase in the net revenue interest in such Oil and Gas Property).

(c) Interim Redetermination. In addition to the Semi-Annual Redeterminations, (i) based on such information as the Administrative Agent and the Lenders deem relevant (but in accordance with Section 2.2(d)), the Administrative Agent may, and shall at the request of the Required Lenders, make one additional redetermination of the Borrowing Base during the period between any two Semi-Annual Redeterminations, and (ii) based on such information as the Administrative Agent and the Lenders deem relevant (but in accordance with Section 2.2(d)), the Administrative Agent shall at the request of the Borrower, make one additional redetermination of the Borrowing Base during the period between any two Semi-Annual Redeterminations. For the avoidance of doubt, such additional redeterminations of the Borrowing Base shall not constitute nor be construed as a consent to any transaction or proposed transaction that would not be permitted under the terms of this Agreement. The party requesting the redetermination under this paragraph (c) shall give the other party at least 10 days' prior written notice that a redetermination of the Borrowing Base pursuant to this paragraph (c) is to be performed; provided that, no such prior written notice shall be required for any redetermination made by the Lenders during the existence of an Event of Default. In connection with any redetermination of the Borrowing Base under this Section 2.2(c), the Borrower shall provide the Administrative Agent and the Lenders with an Internal Engineering Report prepared in accordance with the procedures used in the immediately preceding Independent Engineering Report or an Independent Engineering Report dated effective as of a date no more than 30 days prior to the redetermination, and such other information as may be reasonably requested by the Administrative Agent or the Required Lenders with respect to the Oil and Gas Properties included or to be included in the Borrowing Base. The Administrative Agent shall poll the Lenders following the procedures provided in Sections 2.02(b)(i) and (ii), and shall promptly notify the Borrower in writing of each redetermination of the Borrowing Base pursuant to this Section 2.2(c) and the amount of the Borrowing Base as so redetermined. No additional redetermination of the Borrowing Base requested by the Required Lenders pursuant to this Section 2.2(c) shall occur before the First Scheduled Redetermination Date.

(d) Standards for Redetermination. Each redetermination of the Borrowing Base by the Administrative Agent and the Lenders pursuant to this Section 2.2 shall be made (i) in the sole discretion of the Administrative Agent and the Lenders (but in accordance with the other provisions of this Section 2.2(d), (ii) in accordance with the Administrative Agent's and the Lenders' customary internal standards and practices for valuing and redetermining the value of Oil and Gas Properties in connection with reserve based oil and gas loan transactions, (iii) in conjunction with the most recent Independent Engineering Report or Internal Engineering Report, as applicable, or other information received by the Administrative Agent and the Lenders relating to the Proven Reserves of the Credit Parties, and (iv) based upon the estimated value of the Proven Reserves owned by the Credit Parties as determined by the Administrative Agent and the Lenders. In valuing and redetermining the Borrowing Base, the Administrative Agent and the Lenders may also consider the business, financial condition, and Debt obligations of the Credit Parties and such other factors as the Administrative Agent and the Lenders customarily deem appropriate, including without limitation, commodity price assumptions, projections of production, operating expenses, Liens, general and administrative expenses, capital costs, working capital requirements, liquidity evaluations, dividend payments, environmental costs, and legal costs. In that regard, the Borrower acknowledges that the determination of the Borrowing Base contains an equity cushion (market value in excess of loan value), which is essential for the adequate protection of the Administrative Agent and the Lenders. No Proven Reserves shall be included in the Borrowing Base unless the Administrative Agent shall have received (or the Administrative Agent shall have otherwise agreed on the timing of the delivery of), at the Borrower's expense, (A) evidence of title reasonably satisfactory in form and substance to the Administrative Agent covering at least 85% of PV10) of each of the Proven Reserves and PDP Reserves evaluated in the most recently delivered Engineering Report, and (B) Mortgages and such other Security Documents requested by the Administrative Agent to the extent necessary to cause the Administrative Agent to have an Acceptable Security Interest in at least 85% of PV10 of each of the Proven Reserves and PDP Reserves (or 100% of PV10 of each the Proven Reserves and PDP Reserves if any Event of Default is continuing for more than 30 days) evaluated in the most recently delivered Engineering Report. At all times after the Administrative Agent has given the Borrower notification of a redetermination of the Borrowing Base under this Section 2.2, the Borrowing Base shall be equal to the redetermined amount or such lesser amount designated by the Borrower and disclosed in writing to the Administrative Agent and the Lenders until the Borrowing Base is subsequently redetermined or reduced in accordance with this Section 2.2; provided that the Borrower shall not request that the Borrowing Base be reduced to a level that would result in a Borrowing Base Deficiency. Notwithstanding anything herein to the contrary, (x) to the extent the redetermined Borrowing Base is less than or equal to the Borrowing Base in effect prior to such redetermination, such redetermined Borrowing Base must be approved by the Administrative Agent and the Required Lenders, and (y) to the extent the redetermined Borrowing Base is greater than the Borrowing Base in effect prior to such redetermination, such redetermined Borrowing Base must be approved by the Administrative Agent and all of the Lenders. If, however, the Administrative Agent and the Lenders or the Required Lenders, as applicable, have not approved the Borrowing Base in accordance with the preceding sentence, then the Administrative Agent shall poll the Lenders to ascertain the highest Borrowing Base then acceptable to the number of Lenders sufficient for purposes of this Section 2.2 and, so long as such amount does not increase the Borrowing Base then in effect, such amount shall become the new Borrowing Base.

(e) Reductions to Borrowing Base. If the sum of (i) the aggregate BB Value of Oil and Gas Properties as determined by the Administrative Agent subject to Asset Sales (including asset swaps customary in the oil and gas industry but excluding the Specified Hugoton Assets Sale to the extent such Specified Hugoton Assets Sale is consummated on the Closing Date or otherwise on or before the First Scheduled Redetermination Date) consummated since the immediately preceding redetermination of the Borrowing Base plus (ii) the aggregate BB Value of Hedging Arrangements which have been the subject of a Hedge Event since the immediately preceding redetermination of the Borrowing Base (the sum of clauses (i) and (ii) being the "BB Threshold Amount") exceeds 5% of the most recently redetermined Borrowing Base, then, upon the consummation of any such Asset Sale or such Hedge Event, after which the BB Threshold Amount exceeds 5% of the most recently redetermined Borrowing Base, the Borrowing Base shall be reduced, effective immediately upon such disposition or Hedge Event without further action by the Administrative Agent or the Lenders, by an amount equal to the BB Value of the Oil and Gas Properties subject of such Asset Sale or the BB Value of the Hedging Arrangements subject of such Hedge Event, as applicable. For the avoidance of doubt, to the extent any Asset Sale in respect of the Hugoton Assets is consummated after the First Scheduled Redetermination Date, the aggregate BB Value of the Hugoton Assets shall be included in the calculation of the BB Threshold Amount.

(f) Reduction of Borrowing Base upon Issuance of Specified Additional Debt. In addition to the other redeterminations of and adjustments to the Borrowing Base provided for herein, and notwithstanding anything to the contrary set forth herein, upon the issuance or incurrence of any Specified Additional Debt pursuant to Section 6.1(g), the Borrowing Base then in effect shall be automatically reduced by an amount equal to the product of 0.25 multiplied by the stated principal amount of such Specified Additional Debt (without regard to any original issue discount), provided that, if such Specified Additional Debt is being incurred in order to refinance outstanding Specified Additional Debt, then the foregoing automatic reduction shall only apply to the portion of the newly issued or incurred Specified Additional Debt that is in excess of the sum of (i) the principal amount of the Specified Additional Debt so refinanced, (ii) amounts to fund interest, premium (including make whole and prepayment premiums) and expenses on such Specified Additional Debt so refinanced, and (iii) amounts to fund any original issue discount or upfront fees relating to such newly issued or incurred Specified Additional Debt solely to the extent attributable to the foregoing clauses (i) and (ii). The Borrowing Base as so reduced shall become the new Borrowing Base immediately upon the date of such issuance or incurrence, effective and applicable to the Borrower, the Administrative Agent, the Issuing Lender and the Lenders on such date without any further action by the Administrative Agent or the Lenders until the next redetermination or other adjustment of the Borrowing Base pursuant to this Agreement.

(g) Hugoton Asset Sale Reduction. If the Specified Hugoton Assets Sale is consummated after the Closing Date but on or before the First Scheduled Redetermination Date, the Borrowing Base shall be reduced, effective immediately upon such disposition without further action by the Administrative Agent or the Lenders, by $175,000,000. The Borrowing Base as so reduced shall become the new Borrowing Base immediately upon the date of such issuance or incurrence, effective and applicable to the Borrower, the Administrative Agent, the Issuing Lender and the Lenders on such date until the next redetermination or other adjustment of the Borrowing Base pursuant to this Agreement.

Section 2.3 Letters of Credit.

(a) Commitment for Letters of Credit. Subject to the terms and conditions set forth in this Agreement, the Issuing Lender agrees, in reliance upon the agreements of the other Lenders set forth in this Section 2.3, from time to time on any Business Day during the Availability Period, to issue, increase or extend the expiration date of, Letters of Credit for the account of any Credit Party, provided that no Letter of Credit will be issued, increased, or extended:

(i) if such issuance, increase, or extension would cause the Letter of Credit Exposure to exceed the lesser of (A) the Letter of Credit Maximum Amount and (B) an amount equal to (1) the lesser of the Borrowing Base and the aggregate Commitments, in either case, in effect at such time minus (2) the sum of the aggregate outstanding amount of all Advances;

(ii) unless such Letter of Credit has an expiration date not later than the earlier of (A) one year after its issuance or extension and (B) five Business Days prior to the Maturity Date (an "Acceptable Letter of Credit Maturity Date"); provided that, (1) if the Commitments are terminated in whole pursuant to Section 2.1(c), the Borrower shall either (A) deposit into the Cash Collateral Account cash in an amount equal to 103% of the Letter of Credit Exposure for the Letters of Credit which have an expiry date beyond the date the Commitments are terminated or (B) provide a replacement letter of credit (or other security) reasonably acceptable to the Administrative Agent and the Issuing Lender in an amount equal to 103% of the Letter of Credit Exposure, and (2) any such Letter of Credit with a one-year tenor may expressly provide for an automatic extension of one additional year so long as such Letter of Credit expressly allows the Issuing Lender, at its sole discretion, to elect not to provide such extension; provided that, in any event, such automatic extension may not result in an expiration date that occurs after the fifth Business Day prior to the Maturity Date;

(iii) unless such Letter of Credit (A) is a standby letter of credit and (B) does not support the repayment of indebtedness for borrowed money of any Person; provided that clause (B) shall not apply to the issuance, increase, extension or replacement of the Default Interest Letter of Credit;

(iv) unless such Letter of Credit is in form and substance acceptable to the Issuing Lender in its sole discretion;

(v) unless the Borrower has delivered to the Issuing Lender a completed and executed Letter of Credit Application; provided that, if the terms of any Letter of Credit Application conflicts with the terms of this Agreement, the terms of this Agreement shall control;

(vi) unless such Letter of Credit is governed by (A) the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600, or (B) the International Standby Practices (ISP98), International Chamber of Commerce Publication No. 590, in either case, including any subsequent revisions thereof approved by a Congress of the International Chamber of Commerce and adhered to by the Issuing Lender;

(vii) if any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the Issuing Lender from issuing, increasing or extending such Letter of Credit, or any Legal Requirement applicable to the Issuing Lender or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the Issuing Lender shall prohibit, or request that the Issuing Lender refrain from, the issuance, increase or extension of letters of credit generally or such Letter of Credit in particular or shall impose upon the Issuing Lender with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the Issuing Lender is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the Issuing Lender any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the Issuing Lender in good faith deems material to it;

(viii) if the issuance, increase or extension of such Letter of Credit would violate one or more policies of the Issuing Lender applicable to letters of credit generally;

(ix) if Letter of Credit is to be denominated in a currency other than Dollars;

(x) if any Lender is at such time a Defaulting Lender hereunder, unless the Issuing Lender has entered into satisfactory arrangements including the delivery of Cash Collateral, reasonably satisfactory to the Issuing Lender (in its sole discretion) with the Borrower or such Lender to eliminate the Issuing Lender's actual or potential Fronting Exposure (after giving effect to Section 2.16(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other Letter of Credit Obligations as to which the Issuing Lender has actual or potential Fronting Exposure, as it may elect in its sole discretion; or

(xi) if such Letter of Credit supports the obligations of any Person in respect of (x) a lease of real property if the face amount of such Letter of Credit exceeds the highest rent (including all rent-like charges) payable under such lease for a period of one year, or (y) an employment contract if the face amount of such Letter of Credit exceeds the highest compensation payable under such contract for a period of one year.

(b) Requesting Letters of Credit. Each Letter of Credit shall be issued pursuant to a Letter of Credit Application given by the Borrower to the Administrative Agent and the Issuing Lender by facsimile, electronic mail or other writing not later than 12:00 p.m. (Denver, Colorado time) on the third Business Day before the proposed date of issuance for the Letter of Credit. Each Letter of Credit Application shall be fully completed and shall specify the information required therein. Each Letter of Credit Application shall be irrevocable and binding on the Borrower. Subject to the terms and conditions hereof, the Issuing Lender shall before 1:00 p.m. (Denver, Colorado time) on the requested issuance date set forth in the Letter of Credit Application issue such Letter of Credit to the beneficiary of such Letter of Credit.

(c) Reimbursements for Letters of Credit; Funding of Participations.

(i) With respect to any Letter of Credit, in accordance with the related Letter of Credit Application, the Borrower agrees to pay to the Administrative Agent on behalf of the Issuing Lender an amount equal to any amount paid by the Issuing Lender under such Letter of Credit. Any such payment by the Borrower shall be made on the same Business Day the Borrower receives notice from the Issuing Lender that the Issuing Lender has made a payment under the applicable Letter of Credit if such notice is received by the Borrower prior to 12:00 noon Denver, Colorado time or, if such notice is received after 12:00 noon Denver, Colorado time, then on the Business Day following such notice. The Borrower may, with a written notice, request that the Borrower's obligations to the Issuing Lender thereunder be satisfied with the proceeds of an Advance in the same amount (notwithstanding any minimum size or increment limitations on individual Advances). If the Borrower does not make such request and does not otherwise make the payments required under this Agreement or the Letter of Credit Application, then the Borrower shall be deemed for all purposes of this Agreement to have requested such an Advance in the same amount and the transfer of the proceeds thereof to satisfy the Borrower's obligations to the Issuing Lender, and the Borrower hereby unconditionally and irrevocably authorizes, empowers, and directs the Lenders to make such Advance, to transfer the proceeds thereof to the Issuing Lender in satisfaction of such obligations, and to record and otherwise treat such payments as an Advance to the Borrower. The Administrative Agent and each Lender may record and otherwise treat the making of such Borrowings as the making of a Borrowing to the Borrower under this Agreement as if requested by the Borrower. Nothing herein is intended to release any of the Borrower's obligations under any Letter of Credit Application, but only to provide an additional method of payment therefor. No Default or Event of Default of the type described in Section 7.1(a)(i) shall result from Borrower's failure to make a payment required under this Section 2.3(c)(i) if the authorization and direction provided by this Section 2.3(c)(i) remains in effect and there is sufficient Availability for an Advance to be made in the amount of such payment in accordance with the foregoing.

(ii) Each Lender (including the Lender acting as Issuing Lender) shall, upon notice from the Administrative Agent that the Borrower has requested or is deemed to have requested an Advance pursuant to Section 2.4 and regardless of whether (A) the conditions in Section 3.2 have been met, (B) such notice complies with Section 2.4, or (C) a Default exists, make funds available to the Administrative Agent for the account of the Issuing Lender in an amount equal to such Lender's Pro Rata Share of the amount of such Advance not later than 1:00 p.m. (Denver, Colorado time) on the Business Day specified in such notice by the Administrative Agent, whereupon each Lender that so makes funds available shall be deemed to have made an Advance to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the Issuing Lender.

(iii) If any such Lender shall not have so made its Advance available to the Administrative Agent pursuant to this Section 2.3, such Lender agrees to pay interest thereon for each day from such date until the date such amount is paid at the lesser of (A) the Federal Funds Rate for such day for the first three days and thereafter the interest rate applicable to the Advance and (B) the Maximum Rate. Whenever, at any time after the Administrative Agent has received from any Lender such Lender's Advance, the

Administrative Agent receives any payment on account thereof, the Administrative Agent will pay to such Lender its participating interest in such amount (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's Advance was outstanding and funded), which payment shall be subject to repayment by such Lender if such payment received by the Administrative Agent is required to be returned. Each Lender's obligation to make the Advance pursuant to this Section 2.3 shall be absolute and unconditional and shall not be affected by any circumstance, including (1) any set-off, counterclaim, recoupment, defense or other right which such Lender or any other Person may have against the Issuing Lender, the Administrative Agent or any other Person for any reason whatsoever; (2) the occurrence or continuance of a Default or the termination of the Commitments; (3) any breach of this Agreement by any Credit Party or any other Lender; or (4) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(d) Participations. Upon the date of the issuance or increase of a Letter of Credit, the Issuing Lender shall be deemed to have sold to each other Lender and each other Lender shall have been deemed to have purchased from the Issuing Lender a participation in the related Letter of Credit Obligations equal to such Lender's Pro Rata Share at such date and such sale and purchase shall otherwise be in accordance with the terms of this Agreement. The Issuing Lender shall promptly notify each such participant Lender by facsimile, telephone, or electronic mail (PDF) of each Letter of Credit issued or increased and the actual dollar amount of such Lender's participation in such Letter of Credit.

(e) Obligations Unconditional. The obligations of the Borrower under this Agreement in respect of each Letter of Credit shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, notwithstanding the following circumstances:

(i) any lack of validity or enforceability of any Letter of Credit Documents;

(ii) any amendment or waiver of or any consent to departure from any Letter of Credit Documents;

(iii) the existence of any claim, set-off, defense or other right which any Credit Party may have at any time against any beneficiary or transferee of such Letter of Credit (or any Persons for whom any such beneficiary or any such transferee may be acting), the Issuing Lender, any Lender or any other person or entity, whether in connection with this Agreement, the transactions contemplated in this Agreement or in any Letter of Credit Documents or any unrelated transaction;

(iv) any statement or any other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect to the extent the Issuing Lender would not be liable therefor pursuant to the following paragraph (g); or

(v) payment by the Issuing Lender under such Letter of Credit against presentation of a draft or certificate which does not comply substantially with the terms of such Letter of Credit.

(f) Prepayments of Letters of Credit. In the event that any Letter of Credit shall be outstanding or shall be drawn and not reimbursed on or prior to the Acceptable Letter of Credit Maturity Date, the Borrower shall pay to the Administrative Agent an amount equal to 103% of the Letter of Credit Exposure allocable to such Letter of Credit, such amount to be due and payable on the Acceptable Letter of Credit Maturity Date, and to be held in the Cash Collateral Account and applied in accordance with paragraph (h) below.

(g) Liability of Issuing Lender. The Borrower assumes all risks of the acts or omissions of any beneficiary or transferee of any Letter of Credit with respect to its use of such Letter of Credit. Neither the Issuing Lender nor any of its officers or directors shall be liable or responsible for:

(i) the use which may be made of any Letter of Credit or any acts or omissions of any beneficiary or transferee in connection therewith;

(ii) the validity, sufficiency or genuineness of documents, or of any endorsement thereon, even if such documents should prove to be in any or all respects invalid, insufficient, fraudulent or forged (other than Issuing Lender's determination that such documents appear on their face to comply in all material respects with the terms and conditions of the Letter of Credit);

(iii) payment by the Issuing Lender against presentation of documents which on their face substantially comply with the terms of a Letter of Credit, including failure of any documents to bear any reference or adequate reference to the relevant Letter of Credit; or

(iv) any other circumstances whatsoever in making or failing to make payment under any Letter of Credit (**INCLUDING THE ISSUING LENDER'S OWN NEGLIGENCE**),

except that the Borrower shall have a claim against the Issuing Lender, and the Issuing Lender shall be liable to, and shall promptly pay to, the Borrower, to the extent of any direct, as opposed to consequential, damages suffered by the Borrower which the Borrower proves were caused by the Issuing Lender's willful misconduct or gross negligence (as determined in a final, non-appealable judgment of a court of competent jurisdiction) in determining whether documents presented under a Letter of Credit comply with the terms of such Letter of Credit. In furtherance and not in limitation of the foregoing, the Issuing Lender may accept documents that appear on their face to comply substantially with the terms of a Letter of Credit, without responsibility for further investigation, regardless of any notice or information to the contrary.

(h) Cash Collateral Account.

(i) If the Borrower is required to deposit funds in the Cash Collateral Account pursuant to Sections 2.5(c), 2.16, 7.2(b) or 7.3(b) or any other provision under this Agreement, then the Borrower and the Administrative Agent shall establish the Cash Collateral Account and the Borrower shall execute any documents and agreements, including the Administrative Agent's standard form assignment of deposit accounts, that the Administrative Agent requests in connection therewith to establish the Cash Collateral Account and grant the Administrative Agent an Acceptable Security Interest in such account and the funds therein. The Borrower hereby pledges to the Administrative Agent and grants the Administrative Agent a security interest in the Cash Collateral Account, whenever established, all funds held in the Cash Collateral Account from time to time, and all proceeds thereof as security for the payment of the Secured Obligations.

(ii) Funds held in the Cash Collateral Account shall be held as cash collateral for obligations with respect to Letters of Credit and promptly applied by the Administrative Agent at the request of the Issuing Lender to any reimbursement or other obligations under Letters of Credit that exist or occur. To the extent that any surplus funds are held in the Cash Collateral Account above the Letter of Credit Exposure during the existence of an Event of Default the Administrative Agent may (A) hold such surplus funds in the Cash Collateral Account as cash collateral for the Secured Obligations or (B) apply such surplus funds to any Secured Obligations in any manner directed by the Required Lenders. If no Default exists, the Administrative Agent shall release any surplus funds held in the Cash Collateral Account above the amount required pursuant to Section 2.3(f) to the Borrower at the Borrower's written request.

(iii) Funds held in the Cash Collateral Account may be invested in Liquid Investments maintained with, and under the sole dominion and control of, the Administrative Agent or in another investment if mutually agreed upon by the Borrower and the Administrative Agent, but the Administrative Agent shall have no obligation to make any investment of the funds therein. The Administrative Agent shall exercise reasonable care in the custody and preservation of any funds held in the Cash Collateral Account and shall be deemed to have exercised such care if such funds are accorded treatment substantially equivalent to that which the Administrative Agent accords its own property, it being understood that the Administrative Agent shall not have any responsibility for taking any necessary steps to preserve rights against any parties with respect to any such funds.

(i) Letters of Credit Issued for Guarantors. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Guarantor, the Borrower shall be obligated to reimburse the Issuing Lender hereunder for any and all drawings under such Letter of Credit issued hereunder by the Issuing Lender. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of any Guarantor or the Borrower inures to the benefit of the Borrower, and that the Borrower's business (indirectly or directly) derives substantial benefits from the businesses of such other Persons.

(j) Existing Letters of Credit. The parties hereto agree acknowledge and agree that, effective on the Closing Date, the Existing Letters of Credit shall remain outstanding and be deemed issued under this Agreement subject to the terms and conditions of this Agreement.

Section 2.4 Advances.

(a) Notice. Each Borrowing, shall be made pursuant to the applicable Notice of Borrowing given by Borrower to Administrative Agent not later than (i) 12:00 p.m. (Denver, Colorado time) on the third Business Day before the date of the proposed Borrowing, in the case of a Eurodollar Advance or (ii) 11:00 a.m. (Denver, Colorado time) on the Business Day of the proposed Borrowing in the case of a Base Rate Advance. The Administrative Agent shall give to each Lender prompt notice of such proposed Borrowing, by facsimile, telex or electronic mail. Each Notice of Borrowing shall be by facsimile or telex or electronic mail, confirmed promptly by the Borrower with a hard copy (other than with respect to notice sent by facsimile or electronic mail), specifying (i) the requested date of such Borrowing (which shall be a Business Day), (ii) the requested Type of Advances comprising such Borrowing, (iii) the aggregate amount of such Borrowing, and (iv) if such Borrowing is to be comprised of Eurodollar Advances, the requested Interest Period for each such Advance; provided that, and all Borrowings to be made on the Closing Date shall consist of either (A) only Base Rate Advances which may, subject to the terms of this Agreement, be thereafter Converted into Eurodollar Advances or (B) Eurodollar Advances so long as the Borrower executes a letter concurrently with making the request for such Eurodollar Advance in form and substance satisfactory to the Administrative Agent indemnifying the Administrative Agent and the Lenders for any loss, cost or expense incurred due to the Borrower's failure to borrow such Eurodollar Advance on the date or in the amount notified by the Borrower and other losses, costs and expenses comparable to those addressed in Section 2.10. In the case of a proposed Borrowing comprised of Eurodollar Advances, the Administrative Agent shall promptly notify each Lender of the applicable interest rate under Section 2.8(b). Each Lender shall, before 11:00 a.m. (Denver, Colorado time) on the date of such Borrowing in the case of any Eurodollar Advances, or 1:00 p.m. (Denver, Colorado time) on the date of such Borrowing in the case of any Base Rate Advances, make available for the account of its applicable Lending Office to the Administrative Agent at its address referred to in Section 10.9, or such other location as the Administrative Agent may specify by notice to the Lenders, in same day funds, such Lender's Pro Rata Share of such Borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article 3, the Administrative Agent will make such funds available to the Borrower at its account with the Administrative Agent or as otherwise directed by the Borrower with written notice to the Administrative Agent.

(b) Conversions and Continuations. In order to elect to Convert or continue an Advance under this paragraph, the Borrower shall deliver an irrevocable Notice of Continuation or Conversion to the Administrative Agent at the Administrative Agent's office no later than 12:00 p.m. (Denver, Colorado time) (i) at least one Business Day in advance of the proposed conversion date in the case of a Conversion to a Base Rate Advance and (ii) at least three Business Days in advance of the proposed Conversion or continuation date in the case of a Conversion to, or a continuation of, a Eurodollar Advance. Each such Notice of Conversion or Continuation shall be in writing or by telex, electronic mail or facsimile confirmed promptly by the Borrower with a hard copy (other than with respect to notice sent by facsimile or electronic mail), specifying (i) the requested Conversion or continuation date (which shall be a Business Day), (ii) the amount and Type of the Advance to be Converted or continued, (iii) whether a Conversion or continuation is requested and, if a Conversion, into what Type of Advance, and (iv) in the case of a Conversion to, or a continuation of, a Eurodollar Advance, the requested

Interest Period. Promptly after receipt of a Notice of Continuation or Conversion under this paragraph, the Administrative Agent shall provide each Lender with a copy thereof and, in the case of a Conversion to or a Continuation of a Eurodollar Advance, notify each Lender of the applicable interest rate under Section 2.8(b). The portion of Advances comprising part of the same Borrowing that are Converted to Advances of another Type shall constitute a new Borrowing.

(c) Certain Limitations. Notwithstanding anything in paragraphs (a) and (b) above:

(i) at no time shall there be more than twelve (12) Interest Periods applicable to outstanding Eurodollar Advances;

(ii) if the Majority Lenders require, the Borrower may not select Eurodollar Advances for any Borrowing at any time when an Event of Default has occurred and is continuing;

(iii) if any Lender shall, at least one Business Day before the date of any requested Borrowing, notify the Administrative Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or that any central bank or other Governmental Authority asserts that it is unlawful, for such Lender or its applicable Lending Office to perform its obligations under this Agreement to make Eurodollar Advances or to fund or maintain Eurodollar Advances, (A) the obligation of such Lender to make such Eurodollar Advance as part of the requested Borrowing or for any subsequent Borrowing shall be suspended until such Lender shall notify the Borrower that the circumstances causing such suspension no longer exist and such Lender's portion of such requested Borrowing or any subsequent Borrowing of Eurodollar Advances shall be made in the form of a Base Rate Advance, and (B) such Lender agrees to use commercially reasonable efforts (consistent with its internal policies and legal and regulatory restrictions) to designate a different Lending Office if the making of such designation would avoid the effect of this paragraph and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender;

(iv) if the Administrative Agent is unable to determine the Eurodollar Rate for Eurodollar Advances comprising any requested Borrowing, the right of the Borrower to select Eurodollar Advances for such Borrowing or for any subsequent Borrowing shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist, and each Advance comprising such Borrowing shall be a Base Rate Advance;

(v) if the Majority Lenders shall, at least one Business Day before the date of any requested Borrowing, notify the Administrative Agent that the Eurodollar Rate for Eurodollar Advances comprising such Borrowing will not adequately reflect the cost to such Lenders of making or funding their respective Eurodollar Advances, as the case may be, for such Borrowing, the right of the Borrower to select Eurodollar Advances for such Borrowing or for any subsequent Borrowing shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist, and each Advance comprising such Borrowing shall be a Base Rate Advance; and

(vi) if the Borrower shall fail to select the duration or continuation of any Interest Period for any Eurodollar Advances in accordance with the provisions contained in the definition of Interest Period in Section 1.1 and paragraph (b) above, the Administrative Agent will forthwith so notify the Borrower and the Lenders and such Advances will be made available to the Borrower on the date of such Borrowing as Base Rate Advances or, if an existing Advance, Convert into Base Rate Advances.

(d) Notices Irrevocable. Each Notice of Borrowing and Notice of Continuation or Conversion delivered by the Borrower hereunder, including its deemed request for borrowing made under Section 2.3(c), shall be irrevocable and binding on the Borrower.

(e) Administrative Agent Reliance. Unless the Administrative Agent shall have received notice from a Lender before the date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's applicable Pro Rata Share of any Borrowing, the Administrative Agent may assume that such Lender has made its applicable Pro Rata Share of such Borrowing available to the Administrative Agent on the date of such Borrowing in accordance with Section 2.4(a), and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made its applicable Pro Rata Share of such Borrowing available to the Administrative Agent, such Lender and the Borrower severally agree to immediately repay to the Administrative Agent on demand such corresponding amount, together with interest on such amount, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable on such day to Advances comprising such Borrowing and (ii) in the case of such Lender, the lesser of (A) the Federal Funds Rate for such day and (B) the Maximum Rate. If such Lender shall repay to the Administrative Agent such corresponding amount and interest as provided above, such corresponding amount so repaid shall constitute such Lender's Advance as part of such Borrowing for purposes of this Agreement even though not made on the same day as the other Advances comprising such Borrowing; provided that the Borrower shall not be required to pay such Lender interest for any period for which the Borrower is required to pay interest to the Administrative Agent pursuant to the foregoing sentence.

Section 2.5 Prepayments.

(a) Right to Prepay; Ratable Prepayment. The Borrower shall have no right to prepay any principal amount of any Advance except as provided in this Section 2.5 and all notices given pursuant to this Section 2.5 shall be irrevocable (unless the notice is conditioned on a refinancing, Change of Control, asset sale or transaction of a similar nature, in which case such notice may be revoked on or prior to such date, it being understood that the Borrower shall remain obligated to pay amounts, if any, owing pursuant to Section 2.10 notwithstanding such permitted revocation) and binding upon the Borrower. Each payment of any Advance pursuant to this Section 2.5 shall be applied by the Administrative Agent in a manner such that all Advances comprising part of the same Borrowing are paid in whole or ratably in part other than Advances owing to a Defaulting Lender as provided in Section 2.16.

(b) Optional. The Borrower may elect to prepay any of the Advances without penalty or premium except as set forth in Section 2.10 and after giving by 11:00 a.m. (Denver, Colorado time) (i) in the case of Eurodollar Advances, at least three Business Days' or (ii) in case of Base Rate Advances, one Business Day's prior written notice to the Administrative Agent stating the proposed date and aggregate principal amount of such prepayment. If any such notice is given, the Borrower shall prepay Advances comprising part of the same Borrowing in whole or ratably in part in an aggregate principal amount equal to the amount specified in such notice, together with accrued interest to the date of such prepayment on the principal amount prepaid and amounts, if any, required to be paid pursuant to Section 2.10 as a result of such prepayment being made on such date; provided that (A) each optional partial prepayment of Eurodollar Advances shall be in a minimum amount not less than $1,000,000 and in multiple integrals of $100,000 in excess thereof and (B) each optional partial prepayment of Base Rate Advances shall be in a minimum amount not less than $1,000,000 and in multiple integrals of $100,000 in excess thereof.

(c) Borrowing Base Deficiency.

(i) Other than as provided in clause (ii), clause (iii) or clause (iv) below, if a Borrowing Base Deficiency exists (including as a result of a reduction of the Borrowing Base resulting from a Borrowing Base redetermination made under Section 5.12), the Borrower shall, after receipt of written notice from the Administrative Agent regarding such deficiency, (x) provide written notice to the Administrative Agent within 30 days of the date such deficiency notice is received by the Borrower from the Administrative Agent, identifying which of the following actions the Borrower shall take (and in the case of option (D), below, identifying the allocation between options (A), (B) and (C)), and (y) proceed to take such actions (and the failure of the Borrower to provide such notice or take such actions within the time periods specified to remedy such Borrowing Base Deficiency shall constitute an Event of Default):

(A) prepay Advances or, if the Advances have been repaid in full, make deposits into the Cash Collateral Account to provide cash collateral for the Letter of Credit Exposure, such that the Borrowing Base Deficiency is cured within 30 days after the date such deficiency notice is received by the Borrower from the Administrative Agent;

(B) pledge as Collateral for the Obligations additional Oil and Gas Properties acceptable to the Administrative Agent and each of the Lenders such that the Borrowing Base Deficiency is cured within 30 days after the date such deficiency notice is received by the Borrower from the Administrative Agent;

(C) repay the Advances and make deposits into the Cash Collateral Account to provide cash collateral for the Letters of Credit, each in five monthly installments equal to one-fifth of such Borrowing Base Deficiency with the first such installment due 30 days after the date such deficiency notice is received by the Borrower from the Administrative Agent and each following installment due 30 days after the preceding installment; or

(D) combine the options provided in clause (A), clause (B) or clause (C) above, to make such prepayment or deposit and deliver such additional Collateral within the time required under clause (A), clause (B) or clause (C) above.

(ii) If, during the existence of a Borrowing Base Deficiency, any Credit Party (or the Administrative Agent as loss payee or assignee) receives Extraordinary Receipts, whether as one payment or a series of payments, then the Borrower shall, within three Business Days after receipt of such proceeds, prepay the Borrowings and provide cash collateral for the Letter of Credit Exposure, in an aggregate amount equal to the lesser of (i) such Borrowing Base Deficiency and (ii) 100% of such proceeds. The amount paid pursuant to this Section 2.5(c)(ii) shall be applied to reduce the amounts required to be prepaid pursuant to Section 2.5(c)(i)(C) pro rata or, if applicable, to reduce the amount of additional Collateral that needs to be pledged pursuant to Section 2.5(c)(i)(B) or (D).

(iii) Upon each reduction of the Borrowing Base, if any, resulting from a Borrowing Base reduction made under Section 2.2(e) or Section 2.2(g) if a Borrowing Base Deficiency exists, then the Borrower shall, (A) immediately after the closing of the applicable Hedge Event, or (B) within one Business Day of the closing of an Asset Sale or the Specified Hugoton Assets Sale, as applicable, prepay the Advances or, if the Advances have been repaid in full, make deposits into the Cash Collateral Account to provide cash collateral for the Letter of Credit Exposure, in an amount equal to (A) such portion of the Borrowing Base Deficiency resulting from such reduction plus (B) if a Borrowing Base Deficiency exists prior to such reduction, then an amount equal to the lesser of (i) the net cash proceeds of the transaction that triggered such Borrowing Base reduction and (ii) such portion of the Borrowing Base Deficiency in existence immediately prior to such reduction. To the extent that a Borrowing Base Deficiency exists prior to such reduction, then any amount prepaid pursuant to this Section 2.5(c)(iii) shall be applied to reduce the amounts required to be prepaid pursuant to Section 2.5(c)(i)(C) pro rata or, if applicable, to reduce the amount of additional Collateral that needs to be pledged pursuant to Section 2.5(c)(i)(B) or (D).

(iv) Upon each reduction of the Borrowing Base, if any, resulting from a Borrowing Base reduction made under Section 2.2(f), if a Borrowing Base Deficiency exists, then the Borrower shall, on the same Business Day on which the proceeds from the incurrence or issuance of Specified Additional Debt are received by the applicable Credit Party, prepay the Advances or, if the Advances have been repaid in full, make deposits into the Cash Collateral Account to provide cash collateral for the Letter of Credit Exposure, in an amount equal to (A) such portion of the Borrowing Base Deficiency resulting from such reduction plus (B) if a Borrowing Base Deficiency exists prior to such reduction, then an amount equal to the lesser of (i) the net cash proceeds of the transaction that triggered such Borrowing Base reduction and (ii) such portion of the Borrowing Base Deficiency in existence immediately prior to such reduction. To the extent that a Borrowing Base Deficiency exists prior to such reduction, then any amount prepaid pursuant to this Section 2.5(c)(iv) shall be applied to reduce the amounts required to be prepaid pursuant to Section 2.5(c)(i)(C) pro rata or, if applicable, to reduce the amount of additional Collateral that needs to be pledged pursuant to Section 2.5(c)(i)(B) or (D).

(v) Each prepayment pursuant to this Section 2.5(c) shall be accompanied by accrued interest on the amount prepaid to the date of such prepayment and amounts, if any, required to be paid pursuant to Section 2.10 (other than prepayments made to a Defaulting Lender) as a result of such prepayment being made on such date. Each prepayment under this Section 2.5(c) shall be applied to the Advances as determined by the Administrative Agent and agreed to by the Lenders in their sole discretion. The failure of the Borrower to provide a notice of its election within the required 30 days as required in clause (i) above shall be deemed to be an election by the Borrower to take the actions provided in clause (i)(A) above.

(d) Reduction of Commitments. On the date of each reduction of the aggregate Commitments pursuant to Section 2.1(c), the Borrower agrees to make a prepayment in respect of the outstanding amount of the Advances to the extent, if any, that the aggregate unpaid principal amount of all Advances plus the Letter of Credit Exposure exceeds the lesser of (A) the aggregate Commitments, as so reduced and (B) the Borrowing Base. Each prepayment pursuant to this Section 2.5(d) shall be accompanied by accrued interest on the amount prepaid to the date of such prepayment and amounts, if any, required to be paid pursuant to Section 2.10 as a result of such prepayment being made on such date. Each prepayment under this Section 2.5(d) shall be applied to the Advances as determined by the Administrative Agent and agreed to by the Lenders in their sole discretion.

(e) Illegality. If any Lender shall notify the Administrative Agent and the Borrower that any Change in Law makes it unlawful, or that any central bank or other Governmental Authority asserts that it is unlawful for such Lender or its Lending Office to perform its obligations under this Agreement to maintain any Eurodollar Advances of such Lender then outstanding hereunder, (i) the Borrower shall, no later than 10:00 a.m. (Denver, Colorado time) / 9:00 a.m. (Los Angeles, California time) (A) if not prohibited by law, on the last day of the Interest Period for each outstanding Eurodollar Advance made by such Lender or (B) if required by such notice, on the second Business Day following its receipt of such notice, prepay all of the Eurodollar Advances made by such Lender then outstanding, together with accrued interest on the principal amount prepaid to the date of such prepayment and amounts, if any, required to be paid pursuant to Section 2.10 as a result of such prepayment being made on such date, (ii) such Lender shall simultaneously make a Base Rate Advance to the Borrower on such date in an amount equal to the aggregate principal amount of the Eurodollar Advances prepaid to such Lender, and (iii) the right of the Borrower to select Eurodollar Advances from such Lender for any subsequent Borrowing shall be suspended until such Lender gives notice referred to above shall notify the Administrative Agent that the circumstances causing such suspension no longer exist.

(f) Interest; Costs. Each prepayment pursuant to this Section 2.5 shall, without duplication, be accompanied by accrued interest on the amount prepaid to the date of such prepayment and amounts, if any, required to be paid pursuant to Section 2.10 as a result of such prepayment being made on such date.

Section 2.6 Repayment. The Borrower shall pay to the Administrative Agent for the ratable benefit of each Lender the aggregate outstanding principal amount of the Advances on the Maturity Date.

Section 2.7 Fees.

(a) Commitment Fees. Subject to Section 2.16, the Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee equal to the Commitment Fee Rate on the average daily Unused Commitment Amount for such period. Such Commitment Fee is due quarterly in arrears on March 31, June 30, September 30, and December 31 of each year and on the Maturity Date.

(b) Fees for Letters of Credit. The Borrower agrees to pay the following:

(i) Subject to Section 2.16, to the Administrative Agent for the pro rata benefit of the Lenders a per annum letter of credit fee for each Letter of Credit issued hereunder, for the period such Letter of Credit is to be outstanding, in an amount equal to the Applicable Margin for Eurodollar Advances per annum on the face amount of such Letter of Credit. Such fee shall be due and payable quarterly in arrears on March 31, June 30, September 30, and December 31 of each year, and on the Maturity Date. Notwithstanding anything to the contrary contained herein, while any Event of Default exists, at the request of the Majority Lenders, all Letter of Credit fees shall accrue at the Default Rate.

(ii) To the Issuing Lender, for its own account, a fronting fee for each Letter of Credit equal to the greater of (A) 0.125% per annum on the face amount of such Letter of Credit and (B) $700. Such fee shall be due and payable quarterly in arrears, so long as any such Letter of Credit is outstanding, on March 31, June 30, September 30, and December 31 of each year, and on the Maturity Date.

(iii) To the Issuing Lender such other usual and customary fees associated with any transfers, amendments, drawings, negotiations or reissuances of any Letters of Credit. Such fees shall be due and payable as requested by the Issuing Lender in accordance with the Issuing Lender's then current fee policy.

The Borrower shall have no right to any refund of letter of credit fees previously paid by the Borrower, including any refund claimed because any Letter of Credit is canceled prior to its expiration date.

(c) Borrowing Base Upfront Fee. The Borrower agrees to pay the fees as may be agreed from time to time between the Borrower and the Administrative Agent in connection with any increase in the Borrowing Base.

(d) Administrative Agent Fee; Other Fees. The Borrower agrees to pay the fees to the Administrative Agent and the Lead Arrangers as set forth in the Fee Letters.

Section 2.8 Interest.

(a) Base Rate Advances. Each Base Rate Advance shall bear interest at the Adjusted Base Rate in effect from time to time plus the Applicable Margin for Base Rate Advances for such period. The Borrower shall pay to Administrative Agent for the ratable account of each Lender all accrued but unpaid interest on such Lender's Base Rate Advances on each March 31, June 30, September 30, and December 31, commencing on June 30, 2017, and on the Maturity Date.

(b) Eurodollar Advances. Each Eurodollar Advance shall bear interest during its Interest Period equal to at all times the Eurodollar Rate for such Interest Period plus the Applicable Margin for Eurodollar Advances for such period. The Borrower shall pay to the Administrative Agent for the ratable account of each Lender all accrued but unpaid interest on each of such Lender's Eurodollar Advances on the last day of the Interest Period therefor (provided that for Eurodollar Advances with Interest Periods of six months or more, accrued but unpaid interest shall also be due on the day three months from the first day of such Interest Period), on the date any Eurodollar Advance is repaid, and on the Maturity Date.

(c) Default Rate. Notwithstanding the foregoing, upon the occurrence and during the continuance of an Event of Default, at the request of the Majority Lenders, all Obligations shall bear interest, after as well as before judgment, at the Default Rate. Interest accrued pursuant to this Section 2.8(c) and all interest accrued but unpaid on or after the Maturity Date shall be due and payable on demand.

Section 2.9 [Reserved]

Section 2.10 Breakage Costs. Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment (including any deemed payment or repayment and any reallocated repayment to Non-Defaulting Lenders provided for in Section 2.12(a), Section 2.14(b), or Section 2.16) of any Advance other than a Base Rate Advance on a day other than the last day of the Interest Period for such Advance (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make an Advance) to prepay, borrow, or continue any Eurodollar Advance on the date or in the amount notified by the Borrower;

(c) any Conversion by the Borrower of any Eurodollar Advance into a Base Rate Advance on a day other than the last day of the Interest Period for such Advance (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise); or

(d) any assignment of an Eurodollar Advance on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 2.14.

In the case of a Eurodollar Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (x) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted Eurodollar Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (y) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market.

Section 2.11 Increased Costs.

(a) Eurodollar Advances. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Eurodollar Rate Reserve Percentage) or the Issuing Lender;

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

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

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

(b) Capital Requirements. If any Lender or the Issuing Lender determines that any Change in Law affecting such Lender or the Issuing Lender or any Lending Office of such Lender or such Lender's or the Issuing Lender's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such

Lender's or the Issuing Lender's capital or on the capital of such Lender's or the Issuing Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Advances made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by the Issuing Lender, to a level below that which such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Lender's policies and the policies of such Lender's or the Issuing Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or the Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company for any such reduction suffered.

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

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

Section 2.12 Payments and Computations.

(a) Payments. All payments of principal, interest, and other amounts to be made by the Borrower under this Agreement and other Credit Documents shall be made to the Administrative Agent in Dollars and in immediately available funds, without setoff, deduction, or counterclaim.

(b) Payment Procedures. The Borrower shall make each payment under this Agreement and under the Notes not later than 11:00 a.m. (Denver, Colorado time) on the day when due in Dollars to the Administrative Agent at the location referred to in the Notes (or such other location as the Administrative Agent shall designate in writing to the Borrower) in same day funds. The Administrative Agent will promptly thereafter, and in any event prior to the close of business on the day any timely payment is made, cause to be distributed like funds relating to the payment of principal, interest or fees ratably (other than amounts payable solely to the Administrative Agent or a specific Lender pursuant to Sections 2.10, 2.11, 2.13, 2.14, and 10.2 and such other provisions herein which expressly provide for payments to a specific Lender,

but after taking into account payments effected pursuant to Section 10.1) in accordance with each Lender's applicable Pro Rata Share to the Lenders for the account of their respective applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon receipt of other amounts due solely to the Administrative Agent, the Issuing Lender or a specific Lender, the Administrative Agent shall distribute such amounts to the appropriate party to be applied in accordance with the terms of this Agreement.

(c) Non-Business Day Payments. Whenever any payment shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or fees, as the case may be; provided that if such extension would cause payment of interest on or principal of Eurodollar Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(d) Computations. All computations of interest for Base Rate Advances shall be made by the Administrative Agent on the basis of a year of 365/366 days and all computations of all other interest and fees shall be made by the Administrative Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day, but excluding the last day) occurring in the period for which such interest or fees are payable. Each determination by the Administrative Agent of an amount of interest or fees shall be conclusive and binding for all purposes, absent manifest error.

(e) Sharing of Payments, Etc. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Advances or other obligations hereunder resulting in such Lender receiving payment of a proportion of the aggregate amount of its Advances and accrued interest thereon or other such obligations greater than its Pro Rata Share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Advances and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Advances and other amounts owing them; provided that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this paragraph shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Advances or participations in Letter of Credit Exposure to any assignee or participant, other than to the Borrower or any Restricted Subsidiary or Affiliate (other than an Unrestricted Subsidiary) thereof (as to which the provisions of this paragraph shall apply).

Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against each Credit Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of each Credit Party in the amount of such participation.

(f) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Advances, to fund participations in Letters of Credit and to make payments pursuant to Section 10.2(b) are several and not joint. The failure of any Lender to make any Advance, to fund any such participation or to make any payment under Section 10.2(b) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Advance, to purchase its participation or to make its payment under Section 10.2(b).

Section 2.13 Taxes.

(a) Defined Terms. For purposes of this Section 2.13, the term "Lender" includes the Issuing Lender and the term "applicable law" includes FATCA.

(b) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Credit Party under any Credit Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Credit Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient 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. The Credit Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

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

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the any Credit Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Credit Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.7(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Credit Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by any Credit Party to a Governmental Authority pursuant to this Section 2.13, such Credit Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.13(g)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

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

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

(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 Credit Document, executed copies of IRS Form W-8BEN (or IRS Form W-8BEN-E, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Credit Document, IRS Form W-8BEN (or IRS Form W-8BEN-E, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(ii.) executed 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 Code, (x) a certificate substantially in the form of Exhibit K-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN (or IRS Form W-8BEN-E, as applicable); or

(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 (or IRS Form W-8BEN-E, as applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-2 or Exhibit K-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 K-4 on behalf of each such direct and indirect partner;

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

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

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

(h) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.13 (including by the payment of additional amounts pursuant to this Section 2.13), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant

Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) Survival. Each party's obligations under this Section 2.13 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Credit Document.

Section 2.14 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 2.11, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.13, then such Lender shall (at the request of the Borrower) use reasonable efforts to designate a different lending office for funding or booking its Advances hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.11 or 2.13, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 2.11, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.13 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 2.14(a) so as to eliminate amounts payable pursuant to Section 2.11 or Section 2.13, as the case may be, in the future, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.7), all of its interests, rights (other than its existing rights to payments pursuant to Section 2.11 or Section 2.13) and obligations under this Agreement and the related Credit Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

(i) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 10.7;

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Advances and participations in Letter of Credit Exposure, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Credit Documents (including any amounts under Section 2.10) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 2.11 or payments required to be made pursuant to Section 2.13, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with applicable Legal Requirements; and

(v) in the case of any assignment resulting from a Lender becoming a Non- Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply. Solely for purposes of effecting any assignment involving a Defaulting Lender under this Section 2.14 and to the extent permitted under applicable Legal Requirements, **each Lender hereby designates and appoints the Administrative Agent as true and lawful agent and attorney-in-fact, with full power and authority, for and on behalf of and in the name of such Lender to execute, acknowledge and deliver the Assignment and Assumption required hereunder if such Lender is a Defaulting Lender and such Lender shall be bound thereby as fully and effectively as if such Lender had personally executed, acknowledged and delivered the same**.

Section 2.15 Cash Collateral. At any time that there shall exist a Defaulting Lender, within one Business Day following the written request of the Administrative Agent or the Issuing Lender (with a copy to the Administrative Agent) the Borrower shall Cash Collateralize the Issuing Lender's Fronting Exposure with respect to such Defaulting Lender (determined after giving effect to Section 2.16(a)(iv) and any Cash Collateral provided by such Defaulting Lender) in an amount not less than the Issuing Lender's Fronting Exposure with respect to such Defaulting Lender.

(a) Grant of Security Interest. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to the Administrative Agent, for the benefit of the Issuing Lender, and agrees to maintain, a first priority security interest in all such Cash Collateral as security for the Defaulting Lenders' obligation to fund participations in respect of Letter of Credit Obligations, to be applied pursuant to clause (b) below. If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent and the Issuing Lender as herein provided, or that the total amount of such Cash Collateral is less than the Issuing Lender's Fronting Exposure with respect to such Defaulting Lender (determined after giving effect to Section 2.16(a)(iv)), the Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (after giving effect to any Cash Collateral provided by the Defaulting Lender).

(b) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under this Section 2.15 or Section 2.16 in respect of Letters of Credit shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of Letter of Credit Obligations (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(c) Termination of Requirement. Cash Collateral (or the appropriate portion thereof) provided to reduce the Issuing Lender's Fronting Exposure shall no longer be required to be held as Cash Collateral pursuant to this Section 2.15 following (i) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Lender), or (ii) the determination by the Administrative Agent and the Issuing Lender that there exists excess Cash Collateral; provided that, subject to Section 2.16 the Person providing Cash Collateral and the Issuing Lender may agree that Cash Collateral shall be held to support future anticipated Fronting Exposure or other obligations and provided further that to the extent that such Cash Collateral was provided by the Borrower, such Cash Collateral shall remain subject to the security interest granted pursuant to the Credit Documents.

Section 2.16 Defaulting Lenders.

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Majority Lenders or Required Lenders, as applicable.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article 7 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 7.4 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Lender hereunder; *third*, to Cash Collateralize the Issuing Lender's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.15; *fourth*, as the Borrower may request (so long as no Default exists), to the funding of any Advance in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative

Agent and the Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Advances under this Agreement and (y) Cash Collateralize the Issuing Lender's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.15; *sixth*, to the payment of any amounts owing to the Lenders, or the Issuing Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, or the Issuing Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Advances or Letter of Credit Exposure in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Advances were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 3.2 were satisfied or waived, such payment shall be applied solely to pay the Advances of, and Letter of Credit Exposure owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Advances of, or Letter of Credit Exposure owed to, such Defaulting Lender until such time as all Advances and funded and unfunded participations in Letter of Credit Obligations are held by the Lenders pro rata in accordance with the Commitments without giving effect to Section 2.16(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.16(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) No Defaulting Lender shall be entitled to receive any Commitment Fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Pro Rata Share of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.15.

(C) With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in Letter of Credit Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the Issuing Lender the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to the Issuing Lender's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Participations to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in Letter of Credit Obligations shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Pro Rata Shares (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (x) the conditions set forth in Section 3.2 are satisfied at the time of such reallocation, and (y) such reallocation does not cause the aggregate outstanding amount of all Advances of any Non-Defaulting Lender plus the Letter of Credit Exposure of such Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(b) Defaulting Lender Cure. If the Borrower, the Administrative Agent and the Issuing Lender agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Advances of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Advances and funded and unfunded participations in Letters of Credit to be held pro rata by the Lenders in accordance with the Commitments (without giving effect to Section 2.16(a)(iv), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) New Letters of Credit. So long as any Lender is a Defaulting Lender, the Issuing Lender shall not be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

ARTICLE 3
CONDITIONS OF LENDING

Section 3.1 Conditions Precedent to Initial Borrowing. The obligations of the first to occur of (i) each Lender to make the initial Advance and (ii) the Issuing Lender to issue the Default Interest Letter of Credit and any other initial Letters of Credit (including the deemed issuance of the Existing Letters of Credit), shall be subject to the satisfaction or waiver in writing of the following conditions precedent:

(a) Documentation. The Administrative Agent shall have received the following, duly executed by all the parties thereto, in form and substance reasonably satisfactory to the Administrative Agent and the Lenders:

(i) this Agreement and all attached Exhibits and Schedules and the Notes, if requested by the applicable Lenders, payable to each applicable Lender or its registered assigns;

(ii) the Guaranty executed by all Guarantors (other than the Parent) existing on the Closing Date;

(iii) the Security Agreement executed by each Credit Party, together with appropriate UCC-1 financing statements, if any, necessary or desirable for filing with the appropriate authorities and any other documents, agreements, or instruments necessary to create, perfect or maintain an Acceptable Security Interest in the Collateral described in the Security Agreement;

(iv) (A) the Mortgages encumbering not less than 85% of PV10 of the Credit Parties' Proven Reserves and not less than 85% of PV10 of all the Credit Parties' PDP Reserves, in each case, as evaluated in the Initial Engineering Report (but excluding any "buildings" or "structures" as described in Regulation H of the Federal Reserve Board that are not material to the operations of the Oil and Gas Properties comprising such Proven Reserves), (B) a certificate duly executed by a Responsible Officer, dated as of the Closing Date, demonstrating the aggregate PV10 of the Oil and Gas Properties set forth in the Initial Engineering Report to be covered by the such Mortgages, and (C) Mortgages encumbering the Cogen Facilities;

(v) certificates of insurance naming the Administrative Agent as loss payee with respect to property insurance, or additional insured with respect to liability insurance for the insurance required to be carried pursuant to Section 5.3;

(vi) a secretary's certificate from each Credit Party certifying such Person's (A) officers' incumbency, (B) authorizing resolutions, (C) organizational documents, and (D) governmental approvals, if any, with respect to the Credit Documents to which such Person is a party;

(vii) certificates of good standing for each Credit Party in each state in which each such Person is organized or qualified to do business, which certificate shall be (A) dated a date not earlier than 30 days prior to Closing Date or (B) otherwise effective on the Closing Date;

(viii) (A) a legal opinion of Norton Rose Fulbright US LLP as special counsel to the Credit Parties, in form and substance reasonably acceptable to the Administrative Agent, and (B) a legal opinions of Locke Lord LLP, as California counsel to the Credit Parties, Brownstein Hyatt Farber Schreck, LLP, as Colorado counsel to the Credit Parties, Crowley Fleck PLLP, as Utah counsel to the Credit Parties, and, if applicable, Anderson & Byrd, as Kansas counsel to the Credit Parties, in each case, in form and substance reasonably acceptable to the Administrative Agent;

(ix) the Initial Engineering Report, which report shall be acceptable to the Administrative Agent;

(x) the Pledge Agreement executed by the Parent, the Borrower and each other Credit Party, as applicable, together with any pledged stock or membership interest certificates and instruments of transfer in form and substance acceptable to the Administrative Agent and granting the Administrative Agent an Acceptable Security Interest in such Equity Interests;

(xi) a Notice of Borrowing or Letter of Credit Application, as applicable; and

(xii) such other documents, governmental certificates, agreements, lien release, UCC-3 Financing Statements, and lien searches as any Agent or any Lender may reasonably request.

(b) Payment of Fees. The Borrower shall have paid the fees and expenses required to be paid on the Closing Date by Sections 2.7, 10.1 or any other provision of a Credit Document (including the Fee Letters).

(c) Specified Representations. On the date of any such initial Advance or issuance (including the deemed issuance of the Existing Letters of Credit), the Specified Representations and the Specified Acquisition Agreement Representations shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on such date, except that any representation and warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) only as of such specified date.

(d) Other Reports. The Administrative Agent shall have received, in form and substance reasonably satisfactory to it, all environmental reports previously provided to or obtained by any Credit Party regarding the Borrower's or its Subsidiaries' respective Oil and Gas Properties (including all available (i) Phase I Environmental Site Assessment Reports and (ii) Phase II Environmental Site Assessment Reports, if any).

(e) Solvency. The Administrative Agent shall have received a certificate in form and substance reasonably satisfactory to the Administrative Agent from a senior financial officer or such other officer acceptable to the Administrative Agent of the Parent certifying that, before and after giving effect to the transactions contemplated hereunder on the Closing Date, the Borrower is Solvent and the Credit Parties, taken as a whole, are Solvent.

(f) Title. The Administrative Agent shall have received title information reasonably satisfactory to it on at least 85% of the PV10 of each of the Proven Reserves evaluated in the Initial Engineering Report (other than any such Proven Reserves attributable to the Hugoton Assets).

(g) Reserve Report Certificate. The Administrative Agent shall have received a completed (i) Reserve Report Certificate duly executed by a Responsible Officer, dated as of the Closing Date, and (ii) certificate duly executed by a Responsible Officer, dated as of the Closing Date, certifying after giving effect to the Linn Acquisition, the percentage of the aggregate PV10 of the Oil and Gas Properties included in the Initial Engineering Report (and identifying which Oil and Gas Properties included in the Initial Engineering Report will not be acquired pursuant to the Linn Acquisition and the aggregate PV10 of such Oil and Gas Properties).

(h) USA Patriot Act. The Lead Arrangers and the Lenders shall have received, at least five Business Days prior to the Closing Date, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act.

(i) Linn Acquisition. The Linn Acquisition shall be consummated pursuant to the Linn Acquisition Documents, substantially concurrently with the occurrence of the Closing Date, in all material respects in accordance with the terms of the Linn Acquisition Documents, after giving effect to any modifications, amendments, consents or waivers not prohibited by this paragraph. The Linn PSA shall not have been amended or waived or otherwise modified or have consents granted by the Credit Parties in a manner materially adverse to the Lenders without the consent of each Lead Arranger (such consent not to be unreasonably withheld, delayed or conditioned) (it being understood that (i) any modification, amendment, consent or waiver to the governing law shall be deemed to be materially adverse to the interests of the Lenders, (ii) any increase in the purchase price of the Linn Acquisition will be deemed not to be materially adverse to the Lenders so long as such increase is funded solely by cash proceeds from the issuance (on or prior to the Closing Date) by the Parent of common or preferred Equity Interests (with the terms of any preferred Equity Interests being acceptable to the Administrative Agent) to the Sponsors., (iii) if a reduction in the purchase price of the Linn Acquisition occurs and the amount of such reduction is less than or equal to 10%, then such reduction shall not be deemed to be materially adverse to the Lenders so long as such reduction is allocated to reduce on a pro rata basis the initial Borrowing Base, and (iv) if a reduction in the purchase price occurs and the amount of such reduction is greater than 10%, then such reduction shall be deemed to be "materially adverse" to the Lenders for purposes of this condition). The Administrative Agent shall have received a certificate from a Responsible Officer certifying that it has provided a true and complete copy of the Linn Acquisition Documents (including all exhibits, schedules, annexes and other attachments thereto, all amendments, waivers, modifications and consents related thereto, and all other agreements related thereto) to the Administrative Agent.

(j) Due Diligence. The Administrative Agent shall have completed and be satisfied in all reasonable respects with a due diligence investigation of the Acquired Linn Assets including the environmental condition of the Acquired Linn Assets.

(k) Liens; Payoff Documentation; Closing Date Debt.

(i) The Administrative Agent shall have received evidence satisfactory to it that there are no Liens encumbering any of the Credit Parties' respective Property other than Permitted Liens.

(ii) The Administrative Agent shall have received (A) payoff letters, if any, prepared in connection with the consummation of the Linn Acquisition, and (B) UCC financing statement terminations, deed of trust and mortgage lien releases and other applicable evidence such that, subject only to appropriate filing or recording thereof, all Liens encumbering the Acquired Linn Assets have been terminated or released.

(iii) The Administrative Agent shall have received (A) a payoff letter from Wells Fargo Bank, National Association, in its capacity as the administrative agent under the Existing Credit Agreement, and (B) UCC financing statement terminations, deed of trust and mortgage lien releases and other applicable evidence such that, subject only to appropriate filing or recording thereof, all Liens encumbering the Property of the Credit Parties pursuant to the Existing Credit Agreement have been terminated or released.

(iv) After giving effect to the foregoing payoff letters (and the initial Borrowings hereunder, if any, to satisfy any obligations under such payoff letters), the Credit Parties shall have no outstanding Debt for borrowed money or any other outstanding Debt other than Debt permitted under Sections 6.1(a) through (f) and Sections 6.1(h) through (q) hereof.

(l) Minimum Availability; Minimum Liquidity. After giving effect to the initial Borrowings and initial issuance of Letters of Credit, and after giving effect to the consummation of the Linn Acquisition and the other Transactions, the Borrower shall have (i) a minimum Availability equal to or greater than $65.0 million, and (ii) a minimum Liquidity equal to or greater than 10% of the initial Borrowing Base.

(m) Minimum Equity Contribution. If the Specified Hugoton Assets Sale shall not have been consummated on or before the Closing Date, then the Administrative Agent shall have received evidence satisfactory to it that the Borrower shall have received cash proceeds, on or prior to the Closing Date, from the issuance by the Parent of common or preferred equity in an aggregate amount of not less than $25.0 million (such aggregate amount, the "Minimum Equity Contribution"). The terms of any preferred equity issued in connection with the Minimum Equity Contribution shall be acceptable to the Administrative Agent.

(n) Hedging.

(i) On or before the date that is five Business Days before the Closing Date, the Borrower shall have entered into Hedging Arrangements satisfactory to the Administrative Agent with a Swap Counterparty covering notional volumes of not less than 467,000 barrels (on a monthly basis and after giving effect to the Linn Acquisition) of production from PDP Reserves for the third fiscal quarter of 2017 at $49.50/barrel.

(ii) On or before the Closing Date, the Borrower shall have entered into Hedging Arrangements satisfactory to the Administrative Agent with a Swap Counterparty covering notional volumes of projected production (on a monthly basis and after giving effect to the Linn Acquisition) from PDP Reserves for the fourth fiscal quarter of 2017 and each of the 2018 and 2019 calendar years at the following minimum prices and aggregate volumes:

Period:	Aggregate Volume:	Price:
Fourth Quarter 2017	415,000 bbls	$43.38/bbl
2018 Calendar Year	1,876,000 bbls	$44.87/bbl
2019 Calendar Year	1,622,000 bbls	$45.94/bbl

(o) Initial Financials. The Administrative Agent shall have received, in form and substance satisfactory to the Administrative Agent, (i) the Initial Financial Statements, and (ii) for each calendar month during the fiscal quarter ended March 31, 2017, a report setting forth the lease operating expenses of the Acquired Linn Assets and the existing Oil and Gas Properties of the Credit Parties.

(p) No Litigation. There shall be no litigation seeking to enjoin or prevent (i) the financing contemplated by this Agreement and the other Credit Documents, or (ii) any of the other Transactions.

The Administrative Agent shall notify the Borrower and the Lenders of the effectiveness of the conditions set forth above and such notice shall be conclusive and binding.

Section 3.2 Conditions Precedent to Each Borrowing and to Each Issuance after the Closing Date, Extension or Renewal of a Letter of Credit. The obligation of each Lender to make an Advance after the Closing Date on the occasion of each Borrowing, the obligation of each Issuing Lender to issue, increase, renew or extend a Letter of Credit (including the deemed issuance of Letters of Credit) after the Closing Date and of any reallocation of Letter of Credit Exposure provided in Section 2.16, shall be subject to the further conditions precedent that on the date of such Borrowing or such issuance, increase, renewal or extension:

(a) Representations and Warranties. As of the date of the making of any Advance or issuance, increase, renewal or extension of any Letter of Credit, the representations and warranties made by any Credit Party or any Responsible Officer of any Credit Party contained in the Credit Documents or in any certificate delivered in connection with this Agreement or any other Credit Document shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on such date, except that any representation and warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) only as of such specified date and each request for the making of any Advance or issuance, increase, renewal or extension of any Letter of Credit and the making of such Advance or the issuance, increase, renewal or extension of such Letter of Credit shall be deemed to be a reaffirmation of such representations and warranties.

(b) Default; Event of Default; Borrowing Base Deficiency. As of the date of the making of any Advance, the issuance, increase, renewal or extension of any Letter of Credit, as applicable, no Default or Borrowing Base Deficiency shall exist, and the making of such Advance or issuance, increase, renewal or extension of such Letter of Credit would not cause a Default or Borrowing Base Deficiency.

(c) Borrowing Request. The making of such Advance or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, is conditioned upon the receipt by the Administrative Agent of a Notice of Borrowing or Letter of Credit Application, as applicable.

(d) Pro Forma Compliance. Immediately before and after giving effect to the making of such Advance or the issuance, increase, amendment or renewal of such Letter of Credit, the Parent is in pro forma compliance with Section 6.16 (with Consolidated EBITDAX being calculated based on the financial statements most recently provided and Debt being calculated as of the date of the applicable transaction and after giving effect thereto), and Section 6.17.

Section 3.3 Determinations Under Sections 3.1 and 3.2. For purposes of determining compliance with the conditions specified in Sections 3.1 and 3.2:

(a) Each of: (i) the giving of the applicable Notice of Borrowing or Letter of Credit Application, (ii) the acceptance by the Borrower of the proceeds of such Borrowing, and (iii) the issuance (including the deemed issuance of the Existing Letters of Credit), increase, or extension of such Letter of Credit shall constitute a representation and warranty by the Borrower that on the date of such Borrowing, such issuance, increase, or extension of such Letter of Credit, as applicable, that the foregoing conditions precedent in Sections 3.1 and 3.2 have been met.

(b) Each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders unless an officer of the Administrative Agent responsible for the transactions contemplated by the Credit Documents shall have received written notice from such Lender prior to the Borrowings hereunder specifying its objection thereto and such Lender shall not have made available to the Administrative Agent such Lender's Pro Rata Share of such Borrowings.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Administrative Agent and the Lenders that:

Section 4.1 Organization.

(a) Each Credit Party is duly and validly organized and existing and in good standing under the laws of its jurisdiction of incorporation or formation. Each Credit Party is authorized to do business and is in good standing in all jurisdictions in which such qualifications or authorizations are necessary except where the failure to be so qualified or authorized could not reasonably be expected to result in a Material Adverse Change.

(b) As of the Closing Date, each Credit Party's (i) type of organization, (ii) jurisdiction of incorporation or formation and (iii) location of its (x) principal place of business and chief executive office, and (y) Proven Reserves, in each case, are set forth on Schedule 4.1.

Section 4.2 Authorization. The execution, delivery, and performance by each Credit Party of each Credit Document to which such Credit Party is a party and the consummation of the Transactions (a) are within such Credit Party's powers, (b) except in the case of any Credit Party formed or acquired after the Closing Date that has not yet become party to any Credit Documents pursuant to Section 5.6 or 5.7, have been duly authorized by all necessary corporate, limited liability company or partnership action, (c) do not contravene any articles or certificate of incorporation or bylaws, partnership or limited liability company agreement binding on or affecting such Credit Party, (d) do not contravene any law or any contractual restriction binding on or affecting such Credit Party, (e) do not result in or require the creation or imposition of any Lien prohibited by this Agreement, and (f) do not require any authorization or approval or other action by, or any notice or filing with, any Governmental Authority other than those that have been obtained or provided and other than filings delivered hereunder to perfect Liens created under the Security Documents. At the time of each Advance or the issuance, renewal, extension or increase of each Letter of Credit, such Advance and the use of the proceeds of such Advance or the issuance, renewal, extension or increase of such Letter of Credit are within the Borrower's limited liability company powers, have been duly authorized by all necessary action and do not contravene (i) the Borrower's certificate of incorporation, formation or partnership, or its bylaws, partnership agreement or limited liability company agreement, or (ii) any Legal Requirement or any contractual restriction binding on or affecting the Borrower, will not result in or require the creation or imposition of any Lien prohibited by this Agreement, and do not require any authorization or approval or other action by, or any notice or filing with, any Governmental Authority other than those that have been obtained or provided and other than filings delivered hereunder to perfect Liens created under the Security Documents.

Section 4.3 Enforceability. The Credit Documents have each been duly executed and delivered by each Credit Party that is a party thereto and each Credit Document constitutes the legal, valid, and binding obligation of each Credit Party that is a party thereto enforceable against such Credit Party in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws at the time in effect affecting the rights of creditors generally and by general principles of equity whether applied by a court of law or equity.

Section 4.4 Financial Condition.

(a) The Borrower has delivered to the Administrative Agent the Initial Financial Statements. The Initial Financial Statements fairly present, in all material respects, the consolidated financial condition of the Parent and its Restricted Subsidiaries on the date thereof and the results of their operations and cash flows for the periods then ended, have been prepared in accordance with GAAP. As of the date of the Initial Financial Statements, there were no material contingent obligations, liabilities for Taxes, unusual forward or long-term commitments, or known unrealized or anticipated losses of the applicable Persons, except as disclosed therein (including the footnotes thereto) and adequate reserves for such items have been made in accordance with GAAP.

(b) Since the date of the Initial Financial Statements, no event or condition has occurred that could reasonably be expected to result in a Material Adverse Change.

(c) As of the Closing Date, no Credit Party has any Debt other than Debt permitted by Sections 6.1(a) through (f) and Sections 6.1(h) through (q) hereof, and listed on Schedule 6.1.

Section 4.5 Title; Ownership and Liens; Real Property. Each Credit Party (a) has good and indefeasible title to all of its Oil and Gas Properties and all of its other material Properties (in each case, other than those that are made subject to an Asset Sale permitted under Section 6.8 of this Agreement), free and clear of all Liens except for Permitted Liens. None of the Property owned by a Credit Party is subject to any Lien except Permitted Liens.

Section 4.6 True and Complete Disclosure. All written factual information (whether delivered before or after the date of this Agreement) prepared by or on behalf of the Parent and the other Credit Parties and furnished to the Administrative Agent or the Lenders for purposes of or in connection with this Agreement, any other Credit Document or any transaction contemplated hereby or thereby, taken as a whole, as of the date such information is delivered does not contain any material misstatement of fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. There is no fact known to any Responsible Officer of any Credit Party on the date of this Agreement that has not been disclosed to the Administrative Agent that could reasonably be expected to result in a Material Adverse Change. All projections, estimates, budgets, and pro forma financial information furnished by or on behalf of any Credit Party, were prepared on the basis of assumptions, data, information, tests, or conditions (including current and reasonably foreseeable business conditions) believed to be reasonable at the time such projections, estimates, and pro forma financial information were furnished.

Section 4.7 Litigation; Compliance with Laws. (a) There are no actions, suits, or proceedings pending or, to the Borrower's knowledge, threatened against any Credit Party, at law, in equity, or in admiralty, or by or before any Governmental Authority that (i) involve any Credit Document or the Transactions, or (ii) except as disclosed on Schedule 4.7 on the Closing Date could reasonably be expected to result in a Material Adverse Change. Additionally, except as disclosed in writing to the Administrative Agent and the Lenders, there is no pending or, to the Borrower's knowledge, threatened action or proceeding instituted against any Credit Party which seeks to adjudicate any Credit Party as bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or for any substantial part of its Property.

(b) The Parent and the other Credit Parties are in compliance in all material respects with all material statutes, rules, regulations, orders and restrictions of any Governmental Authority having jurisdiction over the conduct of their respective businesses or the ownership of their respective Property, except where such non-compliance could not reasonably be expected to result in a Material Adverse Change.

Section 4.8 Compliance with Agreements; No Default.

(a) No Credit Party is a party to any indenture, loan or credit agreement or any lease or any other types of agreement or instrument or subject to any charter or corporate restriction the performance of or compliance with which could reasonably be expected to cause a Material Adverse Change. No Credit Party is in default under, or has received a notice of default under, any contract, agreement, lease or any other document or instrument to which the Borrower or any Credit Party is a party, which default is continuing (after giving effect to all cure periods applicable thereto) and which, if not cured, could reasonably be expected to cause a Material Adverse Change.

(b) No Default has occurred and is continuing.

Section 4.9 Pension Plans. (a) All Plans are in compliance with all applicable provisions of ERISA, (b) no Termination Event has occurred with respect to any Plan that would result in an Event of Default under Section 7.1(i), and each Plan has complied with and been administered in accordance with applicable provisions of ERISA and the Code, (c) no "accumulated funding deficiency" (as defined in Section 302 of ERISA) has occurred with respect to any Plan, and for plan years after December 31, 2007, no unpaid minimum required contribution exists with respect to any Plan, and there has been no excise tax imposed under Section 4971 of the Code with respect to any Plan, (d) the present value of all benefits vested under each Plan (based on the assumptions used to fund such Plan) did not, as of the last annual valuation date applicable thereto, exceed the value of the assets of such Plan allocable to such vested benefits, (e) no Credit Party nor any member of the Controlled Group has had a complete or partial withdrawal from any Multiemployer Plan for which there is any unsatisfied withdrawal liability, and (f) as of the most recent valuation date applicable thereto, no Credit Party nor any member of the Controlled Group would become subject to any liability under ERISA if the Borrower or any Subsidiary has received notice that any Multiemployer Plan is insolvent or in reorganization, except in the case of each of clauses (a) through (f) as would not reasonably be expected , individually or in the aggregate, to cause a Material Adverse Change. Based upon GAAP existing as of the date of this Agreement and current factual circumstances, no Credit Party has any reason to believe that the annual cost during the term of this Agreement to the Credit Parties for post-retirement benefits to be provided to the current and former employees of the Credit Parties or their respective Subsidiaries under Plans that are welfare benefit plans (as defined in Section 3(1) of ERISA) could, in the aggregate, reasonably be expected to cause a Material Adverse Change.

Section 4.10 Environmental Condition.

(a) Permits, Etc. Each Credit Party (i) has obtained all Environmental Permits necessary for the ownership and operation of its Properties and the conduct of its businesses except where the failure to so obtain could not reasonably be expected to result in a Material Adverse Change; (ii) has at all times been and is in compliance with all terms and conditions of such Environmental Permits and with all other requirements of applicable Environmental Laws, except where the failure to so comply could not reasonably be expected to result in a Material Adverse Change; (iii) has not received written notice of any violation or alleged violation of any Environmental Law or Environmental Permit, which violation or alleged violation could reasonably be expected to result in a Material Adverse Change; and (iv) is not subject to any actual or contingent Environmental Claim which could reasonably be expected to cause a Material Adverse Change.

(b) Certain Liabilities. To the Borrower's knowledge, except as disclosed on Schedule 4.10(b) as of the Closing Date, none of the present or previously owned or operated Property of any Credit Party or of any Subsidiary thereof, wherever located, (i) has been placed on or proposed to be placed on the National Priorities List, the Comprehensive Environmental Response Compensation Liability Information System list, or their state or local analogs, or have been otherwise investigated, designated, listed, or identified as a potential site for removal, remediation, cleanup, closure, restoration, reclamation, or other response activity under any Environmental Laws which could reasonably be expected to result in a material liability to the Borrower or the other Credit Parties (taken as a whole), the Administrative Agent or the any other Secured Parties; (ii) is subject to a Lien, arising under or in connection with any Environmental Laws, that attaches to any revenues or to any Property owned or operated by any Credit Party, wherever located, which could reasonably be expected to cause a Material Adverse Change; or (iii) has been the site of any Release of Hazardous Substances or Hazardous Wastes from present or past operations which has caused at the site or at any third-party site any condition that has resulted in or could reasonably be expected to result in the need for Response that could cause a Material Adverse Change.

(c) Certain Actions. Without limiting the foregoing, except as disclosed on Schedule 4.10(c) as of the Closing Date, (i) except as could not reasonably be expected to result in a material liability to the Borrower or the other Credit Parties (taken as a whole), the Administrative Agent or any other Secured Parties all necessary material notices have been properly filed, and no further action is required under current applicable Environmental Law as to each Response or other restoration or remedial project undertaken by the Borrower or any Subsidiary or any of the Borrower's or such Subsidiary's former Subsidiaries on any of their presently or formerly owned or operated Property, and (ii) the present and, to the Borrower's knowledge, future liability, if any, of the Borrower or of any Subsidiary which could reasonably be expected to arise in connection with requirements under Environmental Laws will not result in a Material Adverse Change.

Section 4.11 Subsidiaries, Partnerships and Joint Ventures. As of the Closing Date, the Parent has no Subsidiaries or holds any Equity Interests in any other Person other than the Borrower. Except as set forth on Schedule 4.11 or as disclosed in writing to the Administrative Agent, which shall be deemed a supplement to Schedule 4.11, the Borrower has no Subsidiaries or holds any Equity Interests in any other Person. Schedule 4.11 identifies each Subsidiary as either a Restricted Subsidiary or an Unrestricted Subsidiary. Each Restricted Subsidiary (including any such Restricted Subsidiary formed or acquired subsequent to the Closing Date) is in compliance with the requirements of Section 5.6.

Section 4.12 Investment Company Act. No Credit Party is an "investment company" within the meaning of the Investment Company Act of 1940, as amended. No Credit Party is subject to regulation under any Federal or state statute, regulation or other Legal Requirement which limits its ability to incur Debt.

Section 4.13 Taxes. Each Credit Party has duly filed or caused to be filed all federal income and all other material Tax returns required by applicable law to be filed by it, and has paid, caused to be paid or made adequate provision for the payment of all federal income and all other material Taxes required by applicable law to be paid by it except Taxes that are being contested in good faith by appropriate proceedings and for which the applicable Credit Party has set aside on its books adequate reserves in accordance with GAAP. Proper and accurate amounts have been timely and duly withheld by each Credit Party from their respective employees for all periods and timely and duly remitted to the appropriate taxing authorities in compliance with withholding provisions of applicable law except for any lack of compliance that could not reasonably be expected to result in a Material Adverse Change. Except as disclosed in Schedule 4.13 on the Closing Date, no Credit Party has any current or contingent liability with respect to Taxes of any other person (other than another Credit Party) under any contract, as a successor or transferee, by operation of applicable law or otherwise. The Borrower is either a partnership or a "disregarded entity" (within the meaning of Treasury Regulation Section 301.7701-3) for U.S. federal income tax purposes and all applicable state and local income tax purposes. No elections have been filed with the IRS or any state or local taxing authority to treat the Borrower as an association taxable as a corporation for U.S. federal, state or local income tax purposes. The Parent is taxable as a corporation for U.S. federal, state or local income tax purposes.

Section 4.14 Permits, Licenses, etc. Each Credit Party possesses all permits, licenses, patents, patent rights or licenses, trademarks, trademark rights, trade names rights, and copyrights which are material to the conduct of its business, except where the failure to so possess could not reasonably be expected to result in a Material Adverse Change; provided that this Section 4.14 does not apply with respect to Environmental Permits.

Section 4.15 Use of Proceeds. The proceeds of the Advances will be used by the Borrower for the purposes described in Section 6.6. No Credit Party is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U). No proceeds of any Advance will be used to purchase or carry any margin stock in violation of Regulation T, U or X. The Borrower has not requested any Borrowing or the issuance, increase or extension of any Letter of Credit, and has not used, and has not permitted any Credit Party or any Subsidiary or its or their respective directors, officers, employees and agents to use, the proceeds of any Borrowing or Letter of Credit (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws in any material respect, (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, or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 4.16 Condition of Property; Casualties. The material Properties used or to be used in the continuing operations of Credit Parties, are in good working order and condition, normal wear and tear excepted and except as caused by a (i) Casualty Event or (ii) for any failure to be in such good working order and condition that could not reasonably be expected to result in a Material Adverse Change. Neither the business nor the Oil and Gas Properties or material Properties of the Credit Parties has been affected as a result of any fire, explosion, earthquake, flood, drought, windstorm, accident, strike or other labor disturbance, embargo, requisition or taking of such Property or cancellation of contracts, permits or concessions by a Governmental

Authority, riot, activities of armed forces or acts of God or of any public enemy (whether or not covered by insurance) that could reasonably be expected to cause a Material Adverse Change. The Credit Parties own no real property which either (x) is material to the operations of the Credit Parties or (y) has a fair market value in excess of $2,500,000, except (a) Oil and Gas Properties consisting of (i) Proven Reserves reflected in the Engineering Report most recently delivered to the Administrative Agent or (ii) "possible" or "probable" reserves, (b) as set forth on Schedule 4.16, (c) as disclosed on a schedule to a Compliance Certificate delivered pursuant to Section 5.2(f), or (d) has been acquired since the delivery of the previous Compliance Certificate.

Section 4.17 Insurance. Each of the Credit Parties carries insurance (which may be carried by the Borrower on a consolidated basis) with reputable insurers in respect of such of their respective Properties, in such amounts and against such risks as is customarily maintained by other Persons of similar size engaged in similar businesses.

Section 4.18 Security Interest. Each Credit Party has authorized the filing of financing statements sufficient when filed to perfect the Lien created by the Security Documents to the extent such Lien may be perfected by the filing of such financing statements. When such financing statements are filed in the offices noted therein, the Administrative Agent will have a valid and perfected security interest in all Collateral that is capable of being perfected by filing financing statements.

Section 4.19 Anti-Corruption Laws and Sanctions. The Parent, the Borrower and their respective Subsidiaries and, to the Borrower's knowledge, their respective officers, directors, employees and agents, are in compliance with the Patriot Act 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 a Credit Party or any Subsidiary being designated as a Sanctioned Person. None of (a) the Parent, the Borrower, any of their respective Subsidiaries or, to the Borrower's knowledge, any of their respective directors, officers or employees, or (b) to the Borrower's knowledge, any agent of the Parent, the Borrower or any of their respective Subsidiaries that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No transaction contemplated by this Agreement will violate any Anti-Corruption Law or applicable Sanctions.

Section 4.20 Solvency.

(a) Immediately before and after giving effect to the making of each Advance and the issuance, increase, or amendment of each Letter of Credit, (i) the Borrower is Solvent and (ii) the Credit Parties are, when taken as a whole, Solvent.

(b) On the Closing Date, after giving effect to the Transactions, the Borrower is Solvent and the Credit Parties are, when taken as a whole, Solvent.

Section 4.21 Gas Contracts. Except as disclosed in Schedule 4.21 or as disclosed from time to time in writing to the Administrative Agent, which shall be deemed a supplement to such Schedule 4.21, no Credit Party, as of the Closing Date or as subsequently disclosed to the Administrative Agent in writing, (a) is obligated in any material respect by virtue of any

prepayment made under any contract containing a “take-or-pay” or “prepayment” provision or under any similar agreement to deliver Hydrocarbons produced from or allocated to any its Oil and Gas Properties at some future date without receiving full payment therefor at the time of delivery, or (b) except as has been disclosed to the Administrative Agent, has produced gas, in any material amount, subject to balancing rights of third parties or subject to balancing duties under Legal Requirements.

Section 4.22 Liens, Leases, Etc. None of the Credit Parties nor any other Person has designated or reinstated any Other Berry Secured Claims (as defined in the Plan of Reorganization), and none of the Property of any Credit Party is subject to any Lien other than Permitted Liens. On the Closing Date, all governmental actions and all other filings, recordings, registrations, third party consents and other actions which are necessary to create and perfect the Liens provided for in the Security Documents will have been made, obtained and taken in all relevant jurisdictions other than filings delivered hereunder to perfect Liens created under the Security Documents. Except as permitted under Section 6.5, no Credit Party is a party to any agreement or arrangement (other than this Agreement and the Security Documents), or subject to any order, judgment, writ or decree, that either restricts or purports to restrict its ability to grant Liens to secure the Secured Obligations against their respective Properties.

Section 4.23 Hedging Agreements. Schedule 4.23 sets forth, as of the Closing Date and each date on which an updated Schedule 4.23 is delivered in accordance with Section 5.2(c)(iv), a true and complete list of all Hedging Arrangements of the Credit Parties (and the documents evidencing such Hedging Arrangements), the material terms thereof (including the type, effective date, and notional amounts or volumes on a monthly basis), all credit support agreements relating thereto (including any margin required or supplied), and the counterparty to each such agreement.

Section 4.24 Material Agreements. Schedule 4.24 sets forth a complete and correct list of all material agreements, leases, indentures, purchase agreements, obligations in respect of letters of credit, guarantees, joint venture agreements, and other instruments (other than the agreements set forth in Schedule 4.23) in existence on the Closing Date providing for, evidencing, securing or otherwise relating to any Debt of the Credit Parties in excess of $2,500,000 individually, and such list correctly sets forth the names of the debtor or lessee and creditor or lessor with respect to the Debt or lease obligations outstanding or to be outstanding and the Property subject to any Lien securing such Debt or lease obligation. Also set forth on Schedule 4.24 hereto is a complete and correct list, of all material agreements and other instruments in existence as of the Closing Date of the Credit Parties relating to the purchase, transportation by pipeline, gas processing, marketing, sale and supply of natural gas and other Hydrocarbons and which either (a) has a term longer than 6 months or (b) provides for liabilities of the Credit Parties in excess of $2,500,000. As of the Closing Date, the Borrower has heretofore delivered to the Administrative Agent (to the extent requested) a complete and correct copy of all such material credit agreements, indentures, purchase agreements, contracts, letters of credit, guarantees, joint venture agreements, or other instruments, including any modifications or supplements thereto, in each case that are included or required to be included in Schedule 4.24.

Section 4.25 EEA Financial Institutions. No Credit Party is an EEA Financial Institution.

Section 4.26 International Operations. None of the Credit Parties owns, and none of the Credit Parties have acquired or made any other expenditure (whether such expenditure is capital, operating or otherwise) in or related to, any Oil and Gas Properties located outside of the geographical boundaries of the United States or in the offshore federal waters of the United States of America.

Section 4.27 Linn Acquisition Documents. The copies of the Linn Acquisition Documents delivered by the Borrower to the Administrative Agent are true, accurate and complete and have not been amended or modified in any manner, other than pursuant to amendments or modifications previously delivered to the Administrative Agent. To the knowledge of the Credit Parties, no party to any Linn Acquisition Document is in default in respect of any material term or obligation thereunder.

Section 4.28 Accounts. No Credit Party has any deposit account or securities account (each as defined in the Uniform Commercial Code as in effect in the State of New York from time to time) except as set forth on Schedule 4.28 (as updated in writing from time to time pursuant to Section 5.8).

ARTICLE 5
AFFIRMATIVE COVENANTS

So long as any Obligation shall remain unpaid (other than contingent indemnification and expense reimbursement obligations not then due), any Lender shall have any Commitment hereunder, or there shall exist any Letter of Credit Exposure (unless Cash Collateralized or other arrangements satisfactory to the Issuing Lender have been made with respect thereto), the Borrower agrees to comply (and to cause the applicable Credit Party to comply and, in the case of Section 5.16, the applicable Unrestricted Subsidiary to comply) with the following covenants:

Section 5.1 Organization. The Borrower shall, and shall cause each Credit Party to (a) preserve and maintain its partnership, limited liability company or corporate existence, rights, franchises and privileges in the jurisdiction of its organization, (b) preserve, renew and keep in full force and effect the rights, licenses, permits, privileges and franchises material to the conduct of its business, and (c) qualify and remain qualified as a foreign business entity in each jurisdiction in which qualification is necessary in view of its business and operations or the ownership of its Properties and where failure to qualify could reasonably be expected to cause a Material Adverse Change; provided, however, that nothing herein contained shall prevent any transaction permitted by Section 6.7 or Section 6.8.

Section 5.2 Reporting.

(a) Annual Financial Reports. Upon the earlier to occur of (i) 90 days after the end of any fiscal year of the Parent (commencing with the fiscal year ending December 31, 2017) and (ii) following the consummation of a Qualified IPO, the filing by the Parent of its required Annual Report on Form 10-K for any fiscal year with the SEC, the Borrower shall provide, or shall cause to be provided, to the Administrative Agent, a consolidated balance sheet of the Parent and its consolidated Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income or operations, shareholders' equity and cash flows for such

fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, such consolidated statements to be audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing reasonably acceptable to the Administrative Agent, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit, and such consolidated statements to be certified by the chief executive officer or chief financial officer of the Parent, to the effect that such statements fairly present, in all material respects, the financial condition, results of operations, shareholders' equity and cash flows of the Parent and its consolidated Subsidiaries in accordance with GAAP. If the Borrower has designated any of its Subsidiaries as Unrestricted Subsidiaries, then, concurrently with the financial information required by this clause (a), the Borrower shall provide a reasonably detailed presentation of the consolidated financial position and results of operations of the Parent, the Borrower and its Restricted Subsidiaries as of the end of and for such fiscal year which financial presentation shall exclude the financial position and results of operations of the Unrestricted Subsidiaries and be certified by the chief executive officer or the chief financial officer of the Parent as fairly presenting in all material respects such consolidated financial position and results of operations as of the end of and for such year.

(b) Quarterly Financials. Upon the earlier to occur of (i) 60 days after the end of each of the first three fiscal quarters of each fiscal year of the Parent (commencing with the fiscal quarter ending June 30, 2017), and (ii) following the consummation of a Qualified IPO, the filing by the Parent of its required Quarterly Report on Form 10-Q for any fiscal quarter with the SEC, the Borrower shall provide, or shall cause to be provided, to the Administrative Agent, consolidated balance sheet of the Parent and its consolidated Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of income or operations, shareholder's equity and cash flows for such fiscal quarter and for the portion of the Parent's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail, such consolidated statements to be certified by the chief executive officer or the chief financial officer of the Parent as fairly presenting, in all material respects the financial condition, results of operations, shareholders' equity and cash flows of the Parent and its consolidated Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes. If the Borrower has designated any of its Subsidiaries as Unrestricted Subsidiaries, then, concurrently with the financial information required by this clause (b), the Borrower shall provide a reasonably detailed presentation of the consolidated financial position and results of operations of the Parent, the Borrower and its Restricted Subsidiaries as of the end of and for such fiscal quarter which financial presentation shall exclude the financial position and results of operations of the Unrestricted Subsidiaries and be certified by the chief executive officer or the chief financial officer of the Parent as fairly presenting in all material respects such consolidated financial condition and results of operations as of the end of and for such fiscal quarter.

Documents required to be delivered pursuant to Section 5.2(a), (b), or (d) may be delivered electronically and shall in any event be deemed to have been delivered for all purposes hereunder on the date on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access

(whether a governmental, commercial, third-party website or whether sponsored by the Administrative Agent); provided that: the Borrower shall notify the Administrative Agent (by telecopier or electronic mail) of the posting of any such documents and the web address through which such documents may be obtained. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

(c) Oil and Gas Reserve Reports. The Borrower shall provide, or shall cause to be provided, to the Administrative Agent:

(i) As soon as available but in any event on or before each April 1 (or such date shortly thereafter as is reasonably acceptable to the Administrative Agent) of each year an Independent Engineering Report dated effective as of the immediately preceding January 1 (or dated effective as of such later date agreed to by the Administrative Agent pursuant to Section 2.2(b)(i)) in connection with the Semi-Annual Redetermination to occur on or about May 1 of such year;

(ii) As soon as available but in any event on or before each October 1 (or such date shortly thereafter as is reasonably acceptable to the Administrative Agent) of such year an Internal Engineering Report dated effective as of July 1 (or dated effective as of such later date agreed to by the Administrative Agent pursuant to Section 2.2(b)(ii)) for the Semi-Annual Redetermination to occur on or about November 1 of each year, which Internal Engineering Report shall be prepared in accordance with the procedures in the Independent Engineering Report effective as of the prior January 1 (or dated effective as of such later date agreed to by the Administrative Agent pursuant to Section 2.2(b)(i)); provided, for the First Scheduled Redetermination, the Borrower shall, in addition to the foregoing, also deliver a reserve report prepared by an Independent Engineer dated as of a date acceptable to the Administrative Agent evaluating the Acquired Linn Assets consisting of "proved and undeveloped" reserves;

(iii) Such other information as may be reasonably requested by the Administrative Agent or any Lender with respect to the Oil and Gas Properties included or to be included in the Borrowing Base; and

(iv) With the delivery of each Engineering Report, (A) a certificate from a Responsible Officer in substantially the same form as Exhibit L (a "Reserve Report Certificate") certifying that, to the best of his knowledge and in all material respects: (1) the information contained in the Engineering Report and any other information delivered in connection therewith is true and correct, and (2) such other information as the Administrative Agent shall reasonably request, and (B) an updated Schedule 4.23 setting forth the information required by Section 4.23 as of the date of delivery of such Engineering Report.

(d) Securities Law Filings and other Public Information. Following the consummation of a Qualified IPO, promptly after the same are publicly available, the Borrower shall provide, or cause to be provided, copies of each annual report, definitive proxy, quarterly report or other report on Form 8-K, and copies of all annual, periodic and special reports and registration statements (excluding registration statements related to employee benefit plans) which the Parent files with the SEC under Section 13 or 15(d) of the Exchange Act or with any other securities Governmental Authority or otherwise distributes to its shareholders generally, and not otherwise required to be delivered to the Administrative Agent pursuant hereto.

(e) Forecasted Production; Hedging Arrangements.

(i) In the event that any Credit Party enters into any commodity Hedging Arrangement based upon Forecasted Production rather than upon Proven Reserves to the extent permitted by Section 6.15 hereof, prior to such Credit Party entering into such commodity Hedging Arrangement, the Borrower shall provide a report certified by a Responsible Officer in form and substance reasonably satisfactory to the Administrative Agent prepared by the Borrower covering the Forecasted Production for reserves then owned by the Credit Parties, for the period to be hedged (which shall not exceed five years).

(ii) Within three (3) Business Days of the end of each calendar month, the Borrower shall deliver a report in form and substance satisfactory to the Administrative Agent (i) demonstrating compliance with Section 6.15(b), or (ii) if the Borrower is not in compliance with such section, describing in reasonable detail the proposed Hedge Event or series of Hedge Events to be consummated to maintain compliance with Section 6.15(a); provided that, for any calendar month ending on or before the sixth month after the Closing Date, such report shall be due within 10 Business Days of the end of each such month.

(f) Compliance Certificate. Concurrently with the delivery of the financial statements referred to in Section 5.2(a) and (b) above, the Borrower shall provide to the Administrative Agent a duly completed Compliance Certificate signed by a Responsible Officer, commencing with the fiscal quarter ended September 30, 2017.

(g) Business Plan; Annual Budget. Concurrently with the delivery of the financial statements referred to in Section 5.2(a) above, the Borrower shall provide to the Administrative Agent a business and financial plan for the Credit Parties, including an annual operating, capital and cash flow budget for such fiscal year and detailed on a quarterly basis;

(h) Defaults. The Borrower shall provide to the Administrative Agent promptly, but in any event within five Business Days after a Responsible Officer of a Credit Party becomes aware of the occurrence thereof, a notice of each Default known to a Responsible Officer of the Borrower or any of the other Credit Parties, together with a statement of a Responsible Officer setting forth the details of such Default and the actions which the Credit Parties have taken and propose to take with respect thereto;

(i) Other Creditors. The Borrower shall provide to the Administrative Agent promptly after the giving or receipt thereof, copies of any default notices given or received by the Borrower or by any other Credit Party pursuant to the terms of any material indenture, loan agreement, credit agreement, or similar material agreement evidencing Debt;

(j) Litigation. The Borrower shall provide to the Administrative Agent promptly after the receipt by a Responsible Officer of any Credit Party of a written complaint or official notice from a Governmental Authority (or any such Responsible Officer becoming aware of the existence of), and in any event no later than five (5) Business Days after such receipt, notice of all actions, suits, and proceedings before any Governmental Authority, affecting any Credit Party or any assets of a Credit Party that has a claim for damages in excess of $15,000,000 or that could otherwise reasonably be expected to result in a cost, expense or loss to any Credit Party in excess of $15,000,000;

(k) Environmental Notices. Promptly upon, and in any event no later than five (5) Business Days after, the receipt thereof by a Responsible Officer of a Credit Party (or any such Responsible Officer becoming aware of the existence of), the Borrower shall provide the Administrative Agent with a copy of any form of request, claim, complaint, order, notice, summons or citation received from any Governmental Authority or any other Person, (i) concerning violations or alleged violations of Environmental Laws, which seeks to impose liability therefore in excess of $15,000,000, (ii) concerning any action or omission on the part of any Credit Party or any former Subsidiary thereof in connection with Hazardous Waste or Hazardous Substances which could reasonably be expected to result in the imposition of liability on a Credit Party in excess of $15,000,000 or requiring that action be taken to respond to or clean up a Release of Hazardous Substances or Hazardous Waste into the environment and such action or clean-up could reasonably be expected to exceed $15,000,000, including without limitation any information request related to, or notice of, potential responsibility under CERCLA, or (iii) concerning the filing of a Lien upon, against or in connection with any Credit Party, or any former Subsidiary thereof, or any of their material leased or owned Property, wherever located that are not otherwise Permitted Liens;

(l) Material Adverse Changes. The Borrower shall provide to the Administrative Agent prompt written notice, after a Responsible Officer of a Credit Party has knowledge thereof, of any event, development or circumstance that has had or would reasonably be expected to give rise to a Material Adverse Change;

(m) Termination Events. As soon as possible and in any event (i) within 30 days after the Borrower or any member of the Controlled Group determines that any Termination Event described in clause (a) of the definition of Termination Event with respect to any Plan has occurred, and (ii) within 10 days after the Borrower or any member of the Controlled Group determines that any other Termination Event with respect to any Plan has occurred, the Borrower shall provide to the Administrative Agent a statement of a Responsible Officer describing such Termination Event and the action, if any, which the Borrower or any Affiliate of the Borrower proposes to take with respect thereto;

(n) Termination of Plans. Promptly and in any event within 10 Business Days after receipt thereof by the Borrower or any member of the Controlled Group from the PBGC, the Borrower shall provide to the Administrative Agent copies of each notice received by the Borrower or any such member of the Controlled Group of the PBGC's intention to terminate any Plan or to have a trustee appointed to administer any Plan;

(o) Other ERISA Notices. Promptly and in any event within 10 Business Days after receipt thereof by a Credit Party or any of its Subsidiaries from a Multiemployer Plan sponsor, the Borrower shall provide to the Administrative Agent a copy of each notice received by such Person concerning the imposition or amount of withdrawal liability imposed on the Credit Parties pursuant to Section 4202 of ERISA;

(p) Other Governmental Notices. Promptly and in any event within five Business Days after receipt thereof by a Credit Party, the Borrower shall provide to the Administrative Agent a copy of any notice, summons, citation, or proceeding seeking to modify, revoke, or suspend any material contract, license, permit, or agreement with any Governmental Authority, which modification, revocation, or suspension could reasonably be expected to result in a Material Adverse Change;

(q) Management Letters; Other Accounting Reports. Promptly upon receipt thereof, a copy of each other report or letter submitted to any Credit Party by independent accountants in connection with any annual, interim or special audit made by them of the books of the Credit Parties, and a copy of any response by such Credit Party or the board of directors or managers (or other applicable governing body) of such Credit Party, to such letter;

(r) Flood Disclosures. Promptly following such acquisition or construction thereof, the Borrower shall provide written notice to the Administrative Agent of the existence of any "building" or "manufactured (mobile) home" under the Flood Insurance Regulations located on any Property of any Credit Party that is subject to a Mortgage;

(s) Other Information. Promptly upon request, the Borrower shall provide to the Administrative Agent such other information respecting the business, operations, or Property of any Credit Party, financial or otherwise, as the Administrative Agent (or any Lender through the Administrative Agent) may reasonably request;

(t) Incurrence of Specified Additional Debt. In the event that any Credit Party intends to incur Specified Additional Debt, the Borrower shall provide to the Administrative Agent at least five (5) Business Days' (or such later date as the Administrative Agent may agree in its sole discretion) prior written notice of such intended incurrence, the intended principal amount thereof and the anticipated date of closing; and

(u) Consummation of Specified Hugoton Assets Sale. In the event that any Credit Party consummates the Specified Hugoton Assets Sale on or after the Closing Date, the Borrower shall provide to the Administrative Agent written notice thereof substantially contemporaneously with the closing thereof.

Section 5.3 Insurance.

(a) The Borrower shall, and shall cause each Credit Party to, carry and maintain all such other insurance in such amounts and against such risks as is customarily maintained by other Persons of similar size engaged in similar businesses and reasonably acceptable to the Administrative Agent and with reputable insurers reasonably acceptable to the Administrative Agent.

(b) The Borrower shall deliver to the Administrative Agent (i) from time to time promptly after a request by the Administrative Agent, copies of all policies of insurance, and (ii) on the Closing Date, and on each anniversary of the Closing Date, certificates of insurance, in each case, covering the property or business of the Credit Parties, and endorsements and renewals thereof. All policies of property insurance with respect to the Collateral either shall have attached thereto a lender's loss payable endorsement in favor of the Administrative Agent for its benefit and the ratable benefit of the Secured Parties or name the Administrative Agent as loss payee for its benefit and the ratable benefit of the Secured Parties, in either case, in form reasonably satisfactory to the Administrative Agent, and all policies of liability insurance (other than director and officer liability insurance and workers' compensation insurance) shall name the Administrative Agent for its benefit and the ratable benefit of the Secured Parties as an additional insured. All policies or certificates of insurance shall set forth the coverage, the limits of liability, the name of the carrier, the policy number, and the period of coverage. All such policies shall contain a provision for the Administrative Agent shall have received an endorsement to the effect that the insurer will endeavor to give at least 30 days' prior notice of any cancellation to the Administrative Agent (10 days for non-payment of premiums) (or such shorter period as may be accepted by the Administrative Agent).

(c) If at any time the area in which any real property that has a building or mobile home located on it and is encumbered by a Mortgage in favor of the Administrative Agent is designated a "flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), the Credit Parties shall, and shall cause each Credit Party to, obtain flood insurance in such total amount as required by Regulation H of the Federal Reserve Board, as from time to time in effect and all official rulings and interpretations thereunder or thereof, and otherwise comply with the National Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as it may be amended from time to time.

(d) Upon the request of the Majority Lenders, notwithstanding Section 2.5(c)(ii) of this Agreement, after the occurrence and while there is continuing an Event of Default, all proceeds of insurance, including any casualty insurance proceeds, property insurance proceeds, proceeds from actions, and any other proceeds, shall be paid directly to the Administrative Agent and if necessary, assigned to the Administrative Agent, to be applied in accordance with Section 7.6 of this Agreement, whether or not the Secured Obligations are then due and payable.

(e) In the event that any insurance proceeds are paid to any Credit Party in violation of clause (d), the Borrower shall, and shall cause the applicable Credit Party to, hold the proceeds in trust for the Administrative Agent, segregate the proceeds from the other funds of such Credit Party, and promptly pay the proceeds to the Administrative Agent with any necessary endorsement. Upon the request of the Administrative Agent, the Borrower shall (or shall cause the applicable Credit Party to) execute and deliver to the Administrative Agent any additional assignments and other documents as may be necessary or desirable to enable the Administrative Agent to directly collect the proceeds as set forth herein.

Section 5.4 Compliance with Laws. The Borrower shall, and shall cause each Credit Party to, comply with all federal, state, and local laws and regulations (including Environmental Laws) which are applicable to the operations and Property of any Credit Party and maintain all related permits necessary for the ownership and operation of each Credit Party's Property and business, except in any case where the failure to so comply or maintain could not reasonably be expected to result in a Material Adverse Change. Without limitation of the foregoing, the Borrower shall, and shall cause each of the other Credit Parties to, maintain and possess all authorizations, Permits, licenses, trademarks, trade names, rights and copyrights which are necessary to the conduct of its business, except where the failure to so comply could not reasonably be expected to result in a Material Adverse Change.

Section 5.5 Taxes. The Borrower shall, and shall cause each Credit Party to, pay and discharge all material Taxes and all material amounts of Taxes imposed on such Credit Party prior to the date on which penalties attach other than any Tax which is being contested in good faith and for which adequate reserves have been established in compliance with GAAP.

Section 5.6 New Subsidiaries; Intermediate Holdco. The Borrower shall deliver to the Administrative Agent each of the items set forth in Schedule III attached hereto with respect to each Restricted Subsidiary created or otherwise acquired after the Closing Date and within the time requirements set forth in Schedule III. In connection with the formation of the Intermediate Holdco, the Parent shall immediately deliver to the Administrative Agent documentation and instruments equivalent to those described in Schedule III, in form and substance satisfactory to the Administrative Agent in its sole discretion, with respect to the Intermediate Holdco.

Section 5.7 Agreement to Pledge; Security. The Borrower agrees that at all times, the Administrative Agent shall have an Acceptable Security Interest in the Collateral to the extent required by this Agreement to secure the performance and payment of the Secured Obligations. The Borrower shall, and shall cause each other Credit Party to, subject to the time periods set forth on Schedule III hereto and any exceptions or limitations provided for in the Security Documents, grant to the Administrative Agent a Lien in any Property of such Credit Party or such Restricted Subsidiary hereafter acquired (other than Excluded Property or other property not required to be pledged or mortgaged pursuant to the Security Documents) within 30 days after the acquisition thereof (or, in the case of a new Restricted Subsidiary that becomes a Credit Party, within the time periods set forth on Schedule III) promptly and to take such actions as may be required under the Security Documents to ensure that the Administrative Agent has an Acceptable Security Interest in such Property; provided that (a) in the case of Oil and Gas Properties consisting of Proven Reserves evaluated in the then most recent Engineering Report, the Credit Parties shall not be required to grant an Acceptable Security Interest in such Proven Reserves to the extent such grant would result in more than 85% of PV10 of such Proven Reserves (or 100% of PV10 of such Proven Reserves if any Event of Default has been continuing for more than 30 days) being pledged as Collateral and (b) in the case of Oil and Gas Properties consisting of PDP Reserves evaluated in the then most recent Engineering Report, the Credit Parties shall not be required to grant an Acceptable Security Interest in such PDP Reserves to the extent such grant would result in more than 85% of PV10 of such PDP Reserves (or 100% of PV10 of such PDP Reserves if any Event of Default has been continuing for more than 30 days) being pledged as Collateral. Notwithstanding the foregoing, the Borrower shall, and shall cause each Credit Party to take such actions, including execution and delivery of any Security Documents necessary to create, perfect and maintain an Acceptable Security Interest in favor of the Administrative Agent in 100% of the Equity Interests issued by the Borrower and any Restricted Subsidiaries which are owned by any Credit Party.

Section 5.8 Deposit Accounts; Securities Accounts. Subject to the timing permitted by Section 5.20(b) below, the Borrower shall, and shall cause each Credit Party to, (i) maintain all deposit accounts with the Administrative Agent, a Lender or an Affiliate of a Lender and cause such accounts (other than Excluded Accounts) to be subject to Account Control Agreements, and (ii) cause all securities accounts to be subject to Account Control Agreements. The Borrower shall notify the Administrative Agent in writing promptly (and, in any event, within three (3) Business Days following the opening of any new deposit account or securities account, which writing shall supplement Schedule 4.28.

Section 5.9 Records; Inspection. The Borrower shall, and shall cause each Credit Party to maintain proper, complete and consistent books of record with respect to such Person's operations, affairs, and financial condition. At any reasonable time and from time to time, upon reasonable notice, the Borrower shall permit the Administrative Agent and shall cause each Credit Party to permit the Administrative Agent to, examine and copy the books and records of such Credit Party, to visit and inspect the Property of such Credit Party, and to discuss the business operations and Property of such Credit Party with the officers and directors thereof; provided that, so long as no Event of Default shall have occurred and be continuing, the Credit Parties shall not be responsible for the costs of more than one inspection visit per calendar year. Notwithstanding the foregoing, no Credit Party will be required to disclose, discuss, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter (i) in respect of which disclosure to the Administrative Agent or any Lender (or their respective agents and contractors) is prohibited by applicable law or (ii) that is subject to attorney-client or similar privilege or constitutes attorney work product.

Section 5.10 Maintenance of Property. The Borrower shall, and shall cause each Credit Party to, maintain their owned, leased, or operated Property material to its business in good condition and repair, normal wear and tear excepted and except (i) as caused by any Casualty Events, and (ii) for such failure to so maintain such Property that could not reasonably be expected to result in a Material Adverse Change.

Section 5.11 Title Evidence and Opinions. The Borrower shall from time to time upon the reasonable request of the Administrative Agent, take such actions and execute and deliver such documents and instruments as the Administrative Agent shall reasonably require to ensure that the Administrative Agent shall, at all times, have received satisfactory title evidence, which title evidence shall be in form and substance acceptable to the Administrative Agent in its sole reasonable discretion and shall include information regarding the before payout and after payout ownership interests held by the Credit Parties, for all wells located on the Oil and Gas Properties, covering at least 85% of each of the PV10 of the Proven Reserves and PDP Reserves of the Credit Parties as evaluated in the most recently delivered Engineering Report; provided that, (i) if the Administrative Agent is not satisfied with such title evidence, that shall not trigger a Default hereunder, but the Borrower shall comply with Section 5.12 below if the Administrative Agent provides a notice thereof to the Borrower in accordance with Section 5.12., and (ii) for the avoidance of doubt, it is acknowledged hereby that the Administrative Agent has received satisfactory title evidence with respect to all Oil and Gas Properties (other than the Hugoton Assets) upon which Liens have been created on the Closing Date.

Section 5.12 Further Assurances; Cure of Title Defects.

(a) The Borrower shall, and shall cause each other Credit Party to, cure promptly any known defects in the creation and issuance of the Notes and the execution and delivery of the Security Documents, this Agreement and the other Credit Documents. The Borrower, on behalf of itself and the other Credit Parties, hereby authorizes the Administrative Agent to file any financing statements without the signature of the any Credit Party, as applicable, to the extent permitted by applicable law in order to perfect or maintain the perfection of any security interest granted under any of the Credit Documents. The Borrower at its sole cost and expense will, and will cause each Credit Party to, promptly execute and deliver to the Administrative Agent upon request all such other documents, agreements and instruments to comply with or accomplish the covenants and agreements of the Credit Parties in the Security Documents and this Agreement, or to further evidence and more fully describe the collateral intended as security for the Secured Obligations, or to correct any omissions in the Security Documents, or to state more fully the security obligations set out herein or in any of the Security Documents, or to perfect, protect or preserve any Liens created pursuant to any of the Security Documents, or to make any recordings, to file any notices or obtain any consents, all as may be necessary or appropriate in connection therewith or to enable the Administrative Agent to exercise and enforce its rights and remedies with respect to any Collateral.

(b) With respect to all Oil and Gas Properties (other than the Hugoton Assets), within 60 days (or such later date as determined by the Administrative Agent in its sole discretion), and with respect to the Hugoton Assets, within 90 days (or such later date as determined by the Administrative Agent in its sole discretion), after (a) a request by the Administrative Agent or the Lenders to cure any title defects or exceptions related to such Oil and Gas Properties and which are not Permitted Liens or (b) a notice by the Administrative Agent that the Borrower has failed to comply with Section 5.11 above with respect to providing title evidence concerning such Oil and Gas Properties, the Borrower shall (i) cure such title defects or exceptions which are not Permitted Liens or substitute acceptable Oil and Gas Properties with no title defects or exceptions except for Permitted Liens covering Collateral of an equivalent value and (ii) deliver to the Administrative Agent reasonably satisfactory title evidence (including supplemental or new title opinions meeting the foregoing requirements) in form and substance acceptable to the Administrative Agent in its reasonable judgment as to the Credit Parties' ownership of such Oil and Gas Properties and the Administrative Agent's Liens and security interests therein as are required to maintain compliance with Section 5.11. A default under this Section shall not be a Default or an Event of Default, but instead the Administrative Agent shall have the right to exercise the following remedy in its sole discretion from time to time while there is continuing a default regarding the title defects under this Section, and any failure to so exercise this remedy at any time shall not be a waiver as to future exercise of such remedy by the Administrative Agent or the Lenders. The Administrative Agent may send a notice to the Borrower and the Lenders that the then outstanding Borrowing Base shall be reduced by an amount as determined by the Required Lenders to cause the Borrower to be in compliance with the requirement to provide reasonably acceptable title information on 85% of the PV10 of the Proven Reserves and PDP Reserves of the Credit Parties shown on the most recently delivered Engineering Report. The

new Borrowing Base shall become effective immediately after receipt of such notice. Notwithstanding anything to the contrary contained herein or in any other Credit Document, if the Administrative Agent in its reasonable judgment, after consulting with the Borrower, determines that the cost of creating or perfecting a Lien on any property is excessive in relation to the benefits afforded to the Secured Parties thereby, then such property may be excluded from Collateral for all purposes of the Credit Documents so long as the Borrower remains in compliance with Section 5.7.

Section 5.13 Leases; Development and Maintenance. Except where the failure to do so would not adversely impact a material portion of the Oil and Gas Properties of the Credit Parties to which Proven Reserves are attributable (with 5% of PV10 of the Proven Reserves of the Credit Parties being deemed material), the Borrower shall, and shall cause the other Credit Parties to, (a) pay and discharge promptly, or cause to be paid and discharged promptly, all rentals, delay rentals, royalties, overriding royalties, payments out of production and other indebtedness or obligations accruing under, and comply with each and all of, the oil and gas leases and all other agreements and contracts constituting the Oil and Gas Properties of the Credit Parties to which Proven Reserves are attributable or any agreements and contracts where the failure to comply hereunder could result in a loss, termination or similar impact upon any Oil and Gas Properties of the Credit Parties to which Proven Reserves are attributable (except, in each case, where the amount thereof is being contested in good faith by appropriate proceedings, is subject to an interpleader action in a court of competent jurisdiction, or is held in suspension in accordance with such leases or other agreements), (b) do all other things necessary to keep unimpaired its rights thereunder and prevent any forfeiture thereof or default thereunder, and operate or cause to be operated such Oil and Gas Properties to which Proven Reserves are attributable as a prudent operator would in accordance with industry standard practices, and (c) maintain (or cause to be maintained) the Leases, wells, units and acreage to which the Oil and Gas Properties of the Credit Parties to which Proven Reserves are attributable pertain in a prudent manner consistent with industry standard practices.

Section 5.14 Subordination. The Borrower shall cause each Affiliate (other than any Credit Party) which operates any of the Oil and Gas Properties of the Credit Parties to subordinate pursuant to agreements in form and substance satisfactory to the Administrative Agent, any operators Liens or other Liens in favor of such Affiliate in respect of such Oil and Gas Properties to the Liens in favor of the Secured Parties.

Section 5.15 Payment of other Obligations. The Borrower shall, and shall cause each other Credit Party to, pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its material obligations of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with respect thereto have been provided on the books of such Credit Party, as the case may be, or the failure to pay, discharge or otherwise satisfy could not reasonably be expected to result in a Material Adverse Change.

Section 5.16 Unrestricted Subsidiaries. The Borrower:

(a) shall cause the management, business and affairs of each of the Credit Parties to be conducted in such a manner (including, without limitation, by keeping separate books of account, furnishing separate financial statements of Unrestricted Subsidiaries to creditors and potential creditors thereof and by not permitting Properties of the Credit Parties to be commingled) so that each Unrestricted Subsidiary will be treated as a legal entity separate and distinct from the Credit Parties;

(b) will not permit any Unrestricted Subsidiary to hold any Equity Interest in, or any Debt of, the any Credit Party; and

(c) will not, and will not permit any other Credit Party to, incur, assume, guarantee or be or become liable for any Debt of any of the Unrestricted Subsidiaries (except to the extent permitted under Section 6.1(r).

Section 5.17 ERISA Compliance. The Borrower shall, and shall cause each other Credit Party to, promptly furnish to the Administrative Agent (a) if specifically requested by the Administrative Agent, promptly after the filing thereof with the United States Secretary of Labor or the Internal Revenue Service, copies of each annual report (Form 5500 series) with respect to each Plan sponsored by any Credit Party or any trust created thereunder, and (b) promptly after determining that a "prohibited transaction," as described in section 406 of ERISA or in section 4975 of the Code, in connection with any Plan or any trust created thereunder has occurred that is reasonably expected to result in material liability to any Credit Party, a written notice signed by a Responsible Officer of the applicable Credit Party specifying the nature thereof, what action such Credit Party is taking or intends to take with respect thereto, and, if known, any action taken or proposed by the Internal Revenue Service or the Department of Labor with respect thereto.

Section 5.18 Anti-Corruption Laws. The Borrower shall, and shall cause each other Credit Party to, conduct its businesses in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions and maintain policies and procedures designed to promote and achieve compliance with such laws.

Section 5.19 Performance of Obligations under Credit Documents. The Borrower shall pay the Advances and the other Obligations in accordance with the terms hereof, and the Borrower shall, and shall cause each other Credit Party to, do and perform every act and discharge all of the obligations to be performed and discharged by them under the Credit Documents, including, without limitation, this Agreement, at the time or times and in the manner specified.

Section 5.20 Post-Closing Covenants.

(a) If the Specified Hugoton Assets Sale has not been consummated on or before October 1, 2017, the Borrower shall, within five calendar days thereafter, enter into and maintain Hedging Arrangements with a Swap Counterparty for the 2020 calendar year on terms satisfactory to the Administrative Agent covering notional volumes of projected production (on a monthly basis) equal to 3,695,000 barrels in the aggregate for $47.14 per barrel.

(b) On or before the 45th day following the Closing Date (or such later date as agreed by the Administrative Agent in its sole discretion), the Borrower shall, and shall cause each Credit Party to, (i) maintain all deposit accounts with the Administrative Agent, a Lender or an Affiliate of a Lender and cause such accounts (other than Excluded Accounts) to be subject to Account Control Agreements, and (ii) cause all securities accounts to be subject to Account Control Agreements.

(c) On or before the 15th Business Day following the Closing Date (or such later date as agreed by the Administrative Agent in its sole discretion), if the Specified Hugoton Assets Sale has not been consummated, the Borrower shall take such actions and execute and deliver such documents and instruments as the Administrative Agent shall reasonably require to ensure that the Administrative Agent shall, at all times, have received satisfactory title evidence, which title evidence shall be in form and substance acceptable to the Administrative Agent in its sole reasonable discretion and shall include information regarding the before payout and after payout ownership interests held by the Credit Parties, for all wells attributable to the Hugoton Assets, covering at least 85% of the PV10 of the Proven Reserves and PDP Reserves of the Credit Parties attributable to the Hugoton Assets as such Hugoton Assets were evaluated in the Initial Engineering Report; provided that, if the Administrative Agent is not satisfied with such title evidence, that shall not trigger a Default hereunder, but the Borrower shall comply with Section 5.12 if the Administrative Agent provides a notice thereof to the Borrower in accordance with Section 5.12.

(d) Title on PDP Reserves. On or before the 20th Business Day following the Closing Date (or such later date as agreed by the Administrative Agent in its sole discretion), the Administrative Agent shall have received title information reasonably satisfactory to it on at least 85% of the PV10 of the PDP Reserves evaluated in the Initial Engineering Report (other than any such PDP Reserves attributable to the Hugoton Assets).

ARTICLE 6
NEGATIVE COVENANTS

So long as any Obligation shall remain unpaid (other than contingent indemnification and expense reimbursement obligations not then due), any Lender shall have any Commitment hereunder, or there shall exist any Letter of Credit Exposure (unless Cash Collateralized or other arrangements satisfactory to the Issuing Lender have been made with respect thereto), the Borrower agrees to comply (and to cause the applicable Credit Party to comply) with the following covenants.

Section 6.1 Debt. The Borrower shall not, nor shall it permit any Credit Party to, create, assume, incur, suffer to exist, or in any manner become liable, directly, indirectly, or contingently in respect of, any Debt other than the following (collectively, the "Permitted Debt"):

(a) the Obligations;

(b) Debt of the Borrower and the Restricted Subsidiaries incurred to finance the acquisition, construction or improvement of any fixed or capital assets (whether or not constituting purchase money Debt), including obligations in respect of Capital Leases and any Debt assumed in connection with the acquisition of any such assets or secured by a Lien on any

such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Debt that do not increase the outstanding principal amount thereof; provided that (i) such Debt is incurred prior to or within 120 days after such acquisition or the completion of such construction or improvement and (ii) the aggregate principal amount of Debt permitted by this clause (b) shall not exceed 2% of Consolidated Net Tangible Assets at any time outstanding;

(c) Debt consisting of obligations under performance bonds, bid bonds, appeal bonds and sureties or bonds and similar obligations provided to any Governmental Authority or other Person and assuring payment of contingent liabilities of a Credit Party (i) in connection with the operation of its Oil and Gas Properties, including with respect to plugging, facility removal and abandonment of its Oil and Gas Properties, or (ii) otherwise in the ordinary course of business;

(d) Debt arising from the endorsement of instruments for collection in the ordinary course of business;

(e) intercompany Debt incurred in the ordinary course of business owed by any Credit Party to any other Credit Party; provided that, such Debt is not held, assigned, transferred or held by any Person other than the Borrower or any other Credit Party or, in the case of a pledge, to the Administrative Agent and provided further that, any such Debt shall be subordinated to the Obligations as provided in the Guaranties;

(f) to the extent constituting Debt, liabilities for tax and governmental assessments in the ordinary course of business that are not yet due or that are being contested in good faith by appropriate proceedings and as to which adequate reserves have been established in accordance with GAAP;

(g) Specified Additional Debt; provided that, (i) the principal amount of such Specified Additional Debt shall not exceed $500,000,000, (ii) the Borrower shall have complied with Section 5.2(t), (iii) no Default or Borrowing Base Deficiency exists at the time of incurrence of such Specified Additional Debt or would result therefrom (including after giving effect to any adjustment in the Borrowing Base pursuant to Section 2.2(f) and any prepayment made to the extent required by Section 2.5(c)(iv)), and (iv) after giving effect to the incurrence of such Specified Additional Debt, the Parent is in compliance on a pro forma basis with Section 6.16 and Section 6.17 for the period most recently ended for which financial statements have been delivered pursuant to Section 5.2(a) or Section 5.2(b) or referenced in Section 4.4(a), as applicable;

(h) to the extent constituting Debt, in-kind obligations relating to net oil or natural gas balancing positions arising in the ordinary course of business;

(i) Debt in the form of accounts payable to trade creditors for goods or services and current operating liabilities (other than for borrowed money) which in each case is not more than 90 days past due, in each case incurred in the ordinary course of business, unless contested in good faith by appropriate proceedings and adequate reserves for such items have been made in accordance with GAAP;

(j) Debt (i) consisting of liabilities incurred in the ordinary course of business under workers' compensation claims required by Governmental Authority or by third parties in the ordinary course of business, and (ii) in respect of health, disability or other employee benefits or property, casualty or liability insurance, in each case of the foregoing clauses (i) and (ii), (A) pursuant to customary reimbursement or indemnification obligations to such Person, and (B) which Debt is incurred in the ordinary course of business;

(k) without duplication, guarantees of Debt otherwise permitted under this Section 6.1;

(l) Hedging Arrangements to the extent not prohibited under Section 6.15;

(m) to the extent constituting Debt, obligations on account of minimum volume commitments entered into in the ordinary course of business;

(n) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument (except in the case of daylight overdrafts) drawn against insufficient funds or in respect of cash management services provided by a bank or other financial institution, each in the ordinary course of business; provided that, such Debt is extinguished within five (5) Business Days of incurrence;

(o) Debt existing on the Closing Date and set forth in Schedule 6.1 including extensions, replacements and refinancings thereof which do not increase the principal amount (excluding increases resulting from the rolling into such refinanced, extended or replaced principal of any accrued, unpaid interest and any expenses or premium incurred in connection with any such extension, replacement or refinancing and including prepayment and make whole premiums) of such Debt as of the date of such extension or refinancing;

(p) Debt that may be deemed to arise pursuant to customary indemnification and purchase price adjustment provisions contained in agreements for asset purchase and sale transactions (including investments permitted under Section 6.3 hereof (other than with respect to an Unrestricted Subsidiary));

(q) Guarantees of Debt of a Credit Party to the extent that the incurrence of the Debt by such Credit Party would itself be permitted hereby;

(r) Guarantees of Debt of Unrestricted Subsidiaries (including with respect to Debt of the type described in Section 6.1(p) above)) not to exceed $10,000,000 in the aggregate when combined with the value of all investments made in Unrestricted Subsidiaries pursuant to Section 6.3(m)(iii);

(s) other unsecured Debt not otherwise permitted under the preceding provisions of this Section 6.1; provided that, the aggregate principal amount thereof shall not exceed $15,000,000 at any time; and

(t) Debt of any Person that becomes a Restricted Subsidiary after the date hereof; provided that (i) such Debt exists at the time such Person becomes a Restricted Subsidiary and is not created in contemplation of or in connection with such Person becoming a Restricted Subsidiary, (ii) the aggregate principal amount of Debt permitted by this clause (t) shall not exceed an amount equal to two percent (2%) of Consolidated Net Tangible Assets at any time outstanding, and (iii) such Debt does not consist of indebtedness for borrowed money (including bonds, debentures, indentures, term loans, and credit facilities).

Section 6.2 Liens. The Borrower shall not, nor shall it permit any other Credit Party to, create, assume, incur, or suffer to exist any Lien on any of its Property, whether now owned or hereafter acquired, or assign any right to receive any income, other than the following (collectively, the "Permitted Liens"):

(a) Liens securing the Secured Obligations pursuant to the Security Documents;

(b) Liens imposed by law, such as materialmen's, mechanics', carriers', workmen's and repairmen's liens, and other similar liens arising in the ordinary course of business securing obligations which are not overdue for a period of more than 90 days or are being contested in good faith by appropriate procedures or proceedings and for which adequate reserves have been established in accordance with GAAP;

(c) Liens for Taxes, fees, assessment, or other governmental charges which are not delinquent or remain payable without penalty or which are being actively contested in good faith by appropriate proceedings and adequate reserves for such items have been made in accordance with GAAP;

(d) Liens securing Debt permitted under Section 6.1(b); provided that each such Lien encumbers only the Property purchased in connection with the creation of any such Debt or the subject of any such Capital Lease, and all proceeds thereof (including insurance proceeds), and the principal amount secured thereby is not increased (other than accrued interest and premiums, including prepayment and make whole premiums, thereon);

(e) encumbrances consisting of easements, rights-of-way, servitudes, permits, reservations, zoning restrictions, or other restrictions on the use of real property and defects or irregularities in the chain of title that do not, in either case (individually or in the aggregate), materially affect the value of the assets encumbered thereby or materially impair the ability of any Credit Party to use such assets in its business;

(f) Liens arising under oil and gas leases, term assignments of Leases, non-participating royalty interests, overriding royalty agreements, net profits agreements, royalty trust agreements, farm-out agreements, division orders, contracts for the sale, purchase, exchange, transportation, gathering or processing of oil, gas or other hydrocarbons, unitizations and pooling designations, declarations, orders and agreements, development agreements, operating agreements, production sales contracts, area of mutual interest agreements, gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or geophysical permits or agreements, and other agreements that are, in each case of the foregoing, customary in the oil and gas business and that are entered into by any Credit Party in the ordinary course of business provided that: (i) such Liens are taken into account in computing the net revenue interests and working interests of the Borrower or any of its Subsidiaries warranted in the Security Documents or this Agreement, (ii) such Liens do not secure Debt for borrowed money, (iii) such Liens secure amounts that are not yet due or are being contested in good faith by appropriate proceedings, if such reserve as may

be required by GAAP shall have been made therefor, (iv) such Liens are limited to the assets that are the subject of such agreements, and (v) if such Liens secure obligations owing to an Affiliate of a Credit Party, such Liens and such obligations shall be subordinated to the Secured Obligations and Liens securing the Secured Obligations on terms and conditions satisfactory to the Administrative Agent;

(g) royalties, overriding royalties, net profits interests, production payments, reversionary interests, calls on production, preferential purchase rights and other burdens on or deductions from the proceeds of production, that do not secure Debt for borrowed money and that are taken into account in computing the net revenue interests and working interests of the Credit Parties reflected in the Borrowing Base;

(h) Liens arising in the ordinary course of business out of pledges or deposits under workers' compensation laws, unemployment insurance, old age pensions or other social security or retirement benefits, or similar legislation or to secure public or statutory obligations of the Borrower or any Subsidiary;

(i) pledges and deposits to secure the performance of tenders, bids, trade contracts, leases, statutory obligations, stay, government contracts, surety and appeal bonds, performance and return of money bonds and other obligations of a like nature, in each case in the ordinary course of business and which pledges and deposits do not secure Debt for borrowed money;

(j) judgment liens in respect of judgments that do not constitute an Event of Default under Section 7.1(h);

(k) the filing of Uniform Commercial Code financing statements solely as a precautionary measure in connection with operating leases, consignment of goods or other similar transactions;

(l) landlords', lessors' and sublessors' Liens (relating to Properties that are not Oil and Gas Properties) and other like Liens in respect of rent not in default so long as the Debt or liabilities under such leases and subleases is secured only by the assets covered thereby;

(m) Liens granted by any Credit Party on its rights under any insurance policy, but only to the extent that such Lien is granted to the insurers under such insurance policies or any insurance premium finance company to secure payment of the premiums and other amounts owed to the insurers or such premium finance company with respect to such insurance policy;

(n) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights and remedies and burdening only deposit accounts or other funds maintained with a depository institution;

(o) Liens on the Equity Interests issued by any Unrestricted Subsidiary and securing the payment of Debt of such Unrestricted Subsidiary that is otherwise Non-Recourse to the Credit Parties;

(p) Liens existing on the Closing Date and set forth on Schedule 6.2;

(q) any Lien existing on any Property (other than Oil and Gas Properties consisting of Proven Reserves) of any Person prior to the acquisition thereof by a Credit Party or existing on any Property of any Person that becomes a Restricted Subsidiary after the date hereof prior to the time such Person becomes a Restricted Subsidiary; provided that (i) such Lien secures Debt that would otherwise be permitted by clause (t) of Section 6.01, (ii) such Lien is not an "all assets" or blanket Lien and is not created in contemplation of or in connection with such acquisition or such Person becoming a Restricted Subsidiary, as the case may be, (iii) such Lien shall not apply to any other Property of a Credit Party or any other Restricted Subsidiary and (iv) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Restricted Subsidiary, as the case may be and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof (other than increases resulting from costs, fees and expenses relating to such extension, renewal or repayment); and

(r) Liens on Oil and Gas Properties not included in the Borrowing Base that are not otherwise permitted by any other clause of this Section 6.2, provided that the aggregate principal or face amount of all Debt secured by Liens on such Oil and Gas Properties under this clause (r) shall not exceed $2,500,000 outstanding at any time (and which Debt shall otherwise be permitted under Section 6.1).

Section 6.3 Investments. The Borrower shall not, nor shall it permit any other Credit Party to, (x) make or hold any direct or indirect investment in any Person, including capital contributions to the Person, investments in or the acquisition of the debt or equity securities or other Equity Interests of the Person, (y) make or hold any loans, guaranties, trade credit, or other extensions of credit to any Person or (z) make an Acquisition, other than the following (collectively, the "Permitted Investments"):

(a) investments, loans, guaranties, trade credit or other extensions of credit, in each case, existing on the Closing Date and described on Schedule 6.3;

(b) investments in the form of trade credit to customers of a Credit Party arising in the ordinary course of business and represented by accounts from such customers;

(c) cash, Liquid Investments, and accounts receivable arising in the ordinary course of business;

(d) investments, loans, and advances by a Credit Party in or to any other Credit Party;

(e) creation of any additional Restricted Subsidiaries organized in the U.S. in compliance with Section 5.6 and Schedule III;

(f) (i) investments in and acquisitions of direct ownership interests in Oil and Gas Properties, crude oil and gas gathering systems and related equipment, (ii) investments and acquisitions related to farm-out, farm-in, joint operating, development agreements, unitization agreements, joint bidding agreements, services contracts, joint venture or area of mutual interest agreements, gathering systems, pipelines or other arrangements which are usual and customary in the oil and gas exploration and production business located within the geographic boundaries of the United States of America, and (iii) subject to Section 6.11 hereof, acquisitions of any other

assets or Property not described in clause (i) or (ii) above; provided that, in the case of any of clauses (i), (ii) or (iii) unless otherwise indicated, (x) if requested by the Administrative Agent, such assets are pledged as Collateral to the extent required by Section 5.7; (y) any such investments are not investments in a Person, and (z) in the case of clauses (i) and (ii) above only, no Event of Default or Borrowing Base Deficiency shall exist after giving effect thereto;

(g) investments received by the Credit Parties in connection with Asset Sales permitted by Section 6.8;

(h) guarantees permitted by Section 6.1;

(i) Hedging Arrangements to the extent permitted under Section 6.15;

(j) loans or advances by any Credit Party to employees made in the ordinary course of business (including travel, entertainment and relocation expenses) in an aggregate amount not to exceed $500,000 at any time;

(k) investments in the ordinary course of business consisting of (i) endorsements for collection or deposit or (ii) customary trade arrangements with customers, including accounts or notes receivable resulting from the granting of trade credit in the ordinary course of business, and which are pledged to the Administrative Agent in accordance with the Security Documents;

(l) investments received in satisfaction or partial satisfaction thereof from financial troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(m) (i) investments in any Unrestricted Subsidiary consisting of investments (not to exceed $500,000 in the aggregate at any time outstanding) required by applicable law in connection with the initial capitalization of such Unrestricted Subsidiary; (ii) so long as the Investment Conditions are satisfied, investments in any Unrestricted Subsidiary (A) made solely with the proceeds of a substantially concurrent cash equity contributions (other than cash equity contributions made to effect a Covenant Cure Payment) from the Equity Interest holders of the Parent, and (B) made solely for the purpose of acquiring or making other investments in assets other than Proven Reserves; and (iii) other investments in Unrestricted Subsidiaries, provided that (A) the aggregate amount of all such Investments made pursuant this clause (iii) shall not exceed $10,000,000 at any time (when combined with the face amount of all outstanding Guaranties of Debt permitted by Section 6.1(r)), and (B) Availability shall be equal to or greater than twenty percent (20%) of the then effective Borrowing Base immediately before and immediately after giving effect to such investment;

(n) other investments, loans, guaranties, trade credit or other extensions of credit, in an aggregate amount not to exceed, on the date when made, an amount that would otherwise be permitted as a Restricted Payment under Section 6.09(b)(i) hereof on such date; provided that any such investment, loan, guaranties, trade credit or other extensions of credit in or to an Unrestricted Subsidiary shall not be made for the purpose of acquiring or making other investments in Proven Reserves by such Unrestricted Subsidiary;

(o) advances to suppliers or contractors in the ordinary course of business in accordance with agreements customary in the oil and gas industry for oil and gas development activities; and

(p) other investments (other than in an Unrestricted Subsidiary) not to exceed two percent (2%) of Consolidated Net Tangible Assets in the aggregate at any time;

provided that, this Section 6.3 shall not prohibit a merger or consolidation among the Credit Parties so long as such merger or consolidation is otherwise permitted under Section 6.7.

Section 6.4 Modifications to Specified Additional Debt. The Borrower shall not, and shall not permit any other Credit Party to, amend, supplement or otherwise modify any instruments evidencing, or agreements relating to or executed in connection with, any Specified Additional Debt, in any manner which would (a) violate the requirements set forth in the definition of "Specified Additional Debt", or (b) result in a Material Adverse Change.

Section 6.5 Agreements Restricting Liens. The Borrower shall not, nor shall it permit any of other Credit Party to, create, incur, assume or permit to exist any contract, agreement or understanding (other than (a) this Agreement, (b) the Credit Documents, (c) agreements governing Debt permitted by Section 6.1(b) to the extent such restrictions govern only the asset financed pursuant to such Debt, (d) any prohibition or limitation that exists pursuant to applicable requirements of a Governmental Authority, (e) customary restrictions on assignment, conveyance or encumbrance in leases (other than Leases), subleases, licenses, asset sale or asset purchase agreements, merger agreements and acquisition agreements otherwise permitted hereby (but only to the extent any such restriction relates to the Property subject to such agreement), (f) restrictions on cash or other deposits imposed by customers under contracts entered into in the ordinary course of business, (g) any prohibition or limitation that exists in any contract to which a Credit Party is a party (other than Leases or other material agreements listed on Schedule 4.24) that (i) exists on the Closing Date or (ii) are binding on a Credit Party at the time such Credit Party first becomes a Credit Party hereunder, so long as such prohibition or limitation was not entered into solely in contemplation of such Person becoming a Credit Party, in the case of (i) or (ii), so long as such prohibition or limitation is generally applicable and does not specifically address any of the Debt or the Liens granted under the Credit Documents, or (h) agreements governing Liens permitted pursuant to Section 6.2(e)) which in any way prohibits or restricts the granting, conveying, creation or imposition of any Lien on any of its Property, whether now owed or hereafter acquired, to secure the Secured Obligations or restricts any Restricted Subsidiary from paying Restricted Payments to the Borrower, or which requires the consent of or notice to other Persons in connection therewith.

Section 6.6 Use of Proceeds; Use of Letters of Credit. The Borrower shall not, nor shall it permit any other Credit Party to, use the proceeds of the Advances or the Letters of Credit for any purposes other than (i) financing certain fees, costs and expenses in connection with this Agreement and refinancing certain Debt on the Closing Date (including all outstanding Debt under the Existing Credit Agreement), (ii) working capital purposes of any Credit Party, (iii) financing capital expenditures and acquisitions of any Credit Party, (iv) other general corporate purposes of any Credit Party, or (v) for financing, in whole or in part, the acquisition of Oil and Gas Properties and other assets, including those described in the Linn Acquisition Documents. The Borrower shall not, nor shall it permit any other Credit Party to, directly or indirectly, use any part of the proceeds of Advances or Letters of Credit for any purpose which violates Regulations T, U, or X.

Section 6.7 Corporate Actions; Accounting Changes.

(a) The Borrower shall not, nor shall it permit any other Credit Party to, dissolve, merge or consolidate with or into any other Person, except that (i) any Credit Party may merge or be consolidated with or into any other Credit Party and (ii) any Credit Party (other than the Borrower and the Parent) may dissolve so long as such Credit Party does not own or hold any Oil and Gas Properties or other assets with any BB Value; provided that, in any case above, (x) in any merger involving the Borrower, the Borrower shall be the surviving entity, (y) subject to clause (x) above, in any merger involving the Parent, the Parent shall be the surviving entity and (z) at the time of any such dissolution, merger or consolidation and immediately after giving effect thereto, no Default or Borrowing Base Deficiency shall have occurred and the Administrative Agent shall continue to have an Acceptable Security Interest in the Collateral.

(b) The Borrower shall not, nor shall it permit any other Credit Party to, (i) without 10 days' (or such shorter period of notice as may be accepted in writing by the Administrative Agent in its sole discretion from time to time) prior written notice to the Administrative Agent, change its name, change its state of incorporation, formation or organization, change its organizational identification number or reorganize in another jurisdiction (and in no event shall any such reorganization occur in a jurisdiction outside the United States), (ii) without prior written notice to, and prior consent of, the Administrative Agent, amend, supplement, modify or restate its articles or certificate of incorporation or formation, limited partnership agreement, bylaws, limited liability company agreements, or other equivalent organizational documents in a manner that is materially adverse to the interests of the Administrative Agent and the Lenders, or (iii) materially change its method of accounting employed in the preparation of the financial statements referred to in Section 4.4 or change the fiscal year end of the Borrower unless required to conform to GAAP or approved in writing by the Administrative Agent.

(c) The Borrower shall not, nor shall it permit any other Credit Party to, (i) acquire or make any expenditure (whether such expenditure is capital, Debt, operating or otherwise) in or related to, any Oil and Gas Properties not located within the geographical or offshore state or boundaries of the United States of America, or (ii) form or acquire any Subsidiaries organized or formed under the laws of a jurisdiction outside the United States of America.

Section 6.8 Sale of Assets. The Borrower shall not, nor shall it permit any other Credit Party to, sell, convey, or otherwise transfer any of its Property (including, without limitation, any working interest, overriding royalty interest, production payments, net profits interest, royalty interest, or mineral fee interest but excluding any Casualty Event) other than:

(a) the sale of Hydrocarbons or Liquid Investments or geological or seismic data or related assets in the ordinary course of business;

(b) Asset Sales of (i) equipment or other Property that is (A) obsolete, worn out or uneconomic and disposed of in the ordinary course of business, (B) no longer necessary for the business of such Person or (C) contemporaneously replaced by Property of at least comparable value and use, and (ii) fixtures or equipment to the extent that (1) such Property is exchanged for credit against the purchase price of similar replacement fixtures or equipment or (2) the cash proceeds of such Asset Sale are promptly applied to the purchase price of such replacement fixtures or equipment;

(c) Asset Sales of Property between or among Credit Parties; provided that, if such Property is Collateral and if requested by the Administrative Agent, the Credit Party receiving such Property will reaffirm the Lien in such Collateral in form and substance acceptable to the Administrative Agent;

(d) upon 10 days' (or such shorter time period as may be accepted in writing by the Administrative Agent in its sole discretion) advance notice to the Administrative Agent, the Asset Sale of Oil and Gas Properties which are attributable to Proven Reserves; provided that, (i) in the case of any Asset Sale (other than an asset swap customary in the oil and gas industry), at least 90% of the consideration received by the Credit Party in respect of such Asset Sale shall be cash or Liquid Investments, (ii) the consideration received in respect of such Asset Sale (including asset swaps customary in the oil and gas industry) shall be equal to or greater than the fair market value of such Oil and Gas Properties, interest therein or Subsidiary subject of such Asset Sale (as reasonably determined by the Borrower (and, solely to the extent required by its organizational documents, approved by the board of directors or equivalent governing body of the Borrower) and, if requested by the Administrative Agent, the Borrower shall deliver a certificate of a Responsible Officer certifying to that effect), (iii) if any such Asset Sale is of a Restricted Subsidiary owning Oil and Gas Properties, such Asset Sale shall include all the Equity Interests of such Restricted Subsidiary; and (iv) the Borrowing Base shall be automatically adjusted in accordance with Section 2.2(e) to the extent required thereby;

(e) Hedge Events; provided that, (i) 100% of the consideration received in respect of such Hedge Event shall be cash or cash equivalents or other Hedging Arrangements, (ii) the consideration received in respect of such Hedge Event shall be equal to or greater than the fair market value of such Hedging Arrangements; and (iii) the Borrowing Base shall be automatically adjusted in accordance with Section 2.2(e) to the extent required thereby;

(f) so long as no Event of Default exists or would result therefrom, Asset Sales of Oil and Gas Properties to which no Proven Reserves are attributable (including asset swaps customary in the oil and gas industry);

(g) 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);

(h) Restricted Payments permitted by Section 6.9;

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

(j) so long as no Borrowing Base Deficiency exists or would result therefrom, Asset Sales of other Property (other than Oil and Gas Properties or Hedging Arrangements) for consideration not to exceed $5,000,000 during any 12-month period;

(k) Asset Sales of Equity Interests in Unrestricted Subsidiaries;

(l) Asset Sales also constituting transactions permitted under Section 6.7;

(m) Assets Sales constituting Permitted Investments;

(n) farmouts of undeveloped acreage in the ordinary course of business and assignments in connection with such farmouts or the abandonment, farmout, exchange or other disposition of Oil and Gas Properties not constituting Proven Reserves; and

(o) the Specified Hugoton Assets Sale; provided the Borrowing Base shall be automatically adjusted in accordance with Section 2.2(e) or Section 2.2(g), as applicable, to the extent required thereby.

Section 6.9 Restricted Payments; Payments in Respect of Specified Additional Debt.

(a) The Borrower shall not, shall not permit the Parent to, make any Restricted Payments before the last day of the sixth full calendar month ending after the Closing Date; provided, that within three (3) Business Days following the consummation of the first to occur of (i) the Specified Hugoton Assets Sale, and (ii) a Qualified IPO (in each case, so long as such event occurs after the Closing Date but before the last day of the sixth full calendar month ending after the Closing Date), the Parent may make a one-time Restricted Payment of up to the lesser of (A) the Minimum Equity Contribution, and (B) the net cash proceeds in excess of $175,000,000 received from the Specified Hugoton Assets Sale, so long as, both before and after giving pro forma effect to such Restricted Payment, (x) Availability, is equal to or greater than 10% of the then effective Borrowing Base; and (y) the Parent demonstrates a pro forma Leverage Ratio of less than or equal to 3.00 to 1.00 (with Consolidated EBITDAX being calculated based on the financial statements most recently provided and Debt being calculated as of the date of applicable transaction and after giving effect thereto).

(b) On and after the last day of the sixth full calendar month ending after the Closing Date, the Borrower shall not, and shall not permit any Credit Party to, make any Restricted Payments except:

(i) the Borrower (and Intermediate Holdco, if applicable) may make Restricted Payments to the Intermediate Holdco and Parent, as the case may be, and the Parent may make Restricted Payments to the holders of its Equity Interests so long as, both before and after giving pro forma effect to such Restricted Payment, (A) no Default or Borrowing Base Deficiency exists, (B) Availability, is equal to or greater than 10% of the then effective Borrowing Base; and (C) the Parent demonstrates a pro forma Leverage Ratio of less than or equal to 3.00 to 1.00 (with Consolidated EBITDAX being calculated based on the financial statements most recently provided and Debt being calculated as of the date of the applicable transaction and after giving effect thereto);

(ii) the Borrower (and Intermediate Holdco, if applicable) may make Restricted Payments to the Intermediate Holdco and Parent, as the case may be, for the purpose of paying ordinary course expenses of the Intermediate Holdco, if applicable, or the Parent related to their respective activities permitted pursuant to Section 6.23 (including, without limitation, fees and expenses reasonably necessary for public company reporting, stock exchange compliance, board compensation and capital markets activities, including legal, accounting and tax advisory fees and expenses);

(iii) any Restricted Subsidiary of the Borrower may make Restricted Payments ratably with respect to its Equity Interests;

(iv) any Credit Party may declare and pay dividends with respect to its Equity Interests payable solely in additional shares or units of its Equity Interests; or options to acquire same;

(v) transfers made by and among the Parent, the Intermediate Holdco (if applicable) and the other Credit Parties pursuant to the operation of a consolidated cash management system in the ordinary course of business;

(vi) so long as no Event of Default has occurred and is continuing, repayments of Subordinated Debt owned by a Credit Party (other than Parent and, if applicable, Intermediate Holdco) to another Credit Party (other than Parent and, if applicable, Intermediate Holdco); and

(vii) any Credit Party may purchase, redeem or otherwise acquire (A) Equity Interests issued by it to existing or former employees of such Credit Party in connection with satisfying federal or state income tax obligations incurred in connection with the issuance or exercise of Equity Interests, (B) Equity Interests in satisfaction of the exercise price for stock options in which the amounts paid by a Credit Party consist of either Equity Interests of the Parent or nominal amounts for fractional shares, or (C) Equity Interests issued to any employee of such Credit Party that such Credit Party is obligated to repurchase upon such employee's termination of employment prior to the date that is 180 days after the Maturity Date.

(c) The Borrower shall not, and shall not permit any Credit Party to, prior to the date that is 180 days after the Maturity Date, call, make or offer to make any optional or voluntary Redemption of, or otherwise optionally or voluntarily Redeem (whether in whole or in part), any Specified Additional Debt (other than the payment of regularly scheduled interest owing in respect of such Specified Additional Debt), provided that, the Credit Parties may voluntarily Redeem Specified Additional Debt (i) with cash proceeds from any incurrence of Specified Additional Debt so long as such Redemption occurs substantially contemporaneously with the receipt of such proceeds, and (ii) with cash proceeds of an offering of Equity Interests in the Parent, so long as, in the case of this clause (ii), no Default or Borrowing Base Deficiency has occurred and is continuing both before and after giving effect to such Redemption and such Redemption occurs substantially contemporaneously with, and in any event within three (3) Business Days following, the receipt of such proceeds.

Section 6.10 Affiliate Transactions. The Borrower shall not, and shall not permit any Credit Party to, directly or indirectly, enter into or permit to exist any transaction or series of transactions (including, but not limited to, the purchase, sale, lease or exchange of Property, the making of any investment, the giving of any guaranty, the assumption of any obligation or the rendering of any service) with any of its Affiliates which are not Credit Parties unless such transaction or series of transactions is on terms no less favorable to such Credit Party than those that could be obtained in a comparable arm's length transaction with a Person that is not such an Affiliate, provided, however, that the restrictions in this Section 6.10 shall not apply to: (a) the Restricted Payments permitted under Section 6.9 and transactions permitted by Section 6.3(j), if any, (b) Investments by a Credit Party in the form of Equity Interests of another Credit Party, (c) reasonable and customary director, officer and employee compensation (including bonuses and employee benefit plans), indemnification and other benefits (including retirement, health, stock option and other benefit plans) and (d) transactions among the Credit Parties.

Section 6.11 Line of Business. The Borrower shall not, and shall not permit any Credit Party to, engage in any business other than businesses of the type conducted by the Credit Parties on the Closing Date and reasonable extensions thereof. The Borrower shall not permit any Unrestricted Subsidiary to own Oil and Gas Properties to which Proven Reserves are attributable.

Section 6.12 Hazardous Materials. The Borrower shall not, and shall not permit any Credit Party or any Subsidiary thereof to, (a) create, handle, transport, use, or dispose of any Hazardous Substance or Hazardous Waste, except in the ordinary course of its business and except in compliance with Environmental Law other than to the extent that such non-compliance could not, individually or in the aggregate, reasonably be expected to result liability of a Credit Party that could reasonably be expected to result in a Material Adverse Change or in any liability to the Lenders or the Administrative Agent, and (b) release any Hazardous Substance or Hazardous Waste into the environment or permit any Credit Party's or any Subsidiary's Property to be subjected to any release of Hazardous Substance or Hazardous Waste, except in compliance with Environmental Law other than to the extent that such non-compliance could not, individually or in the aggregate, reasonably be expected to result in liability of a Credit Party that could reasonably be expected to result in a Material Adverse Change or in any liability on the Lenders or the Administrative Agent.

Section 6.13 Compliance with ERISA. Except for matters that individually or in the aggregate would not reasonably be expected to cause a Material Adverse Change, the Borrower shall not, and shall not permit any Credit Party or any Subsidiary thereof to, directly or indirectly: (a) engage in any transaction in connection with which any such Person could be subjected to either a civil penalty assessed pursuant to section 502(c), (i) or (l) of ERISA or a tax imposed by Chapter 43 of Subtitle D of the Code; (b) terminate, or permit any member of the Controlled Group to terminate, any Plan in a manner, or take any other action with respect to any Plan, which could result in any liability to any Credit Party or any member of the Controlled Group to the PBGC; (c) fail to make, or permit any member of the Controlled Group to fail to make, full payment when due of all amounts which, under the provisions of any Plan, agreement relating thereto or applicable law, a Credit Party or member of the Controlled Group is required to pay as contributions thereto; (d) permit to exist, or allow any member of the Controlled Group to permit to exist, any accumulated funding deficiency (or unpaid minimum required contribution for plan years after December 31, 2007) within the meaning of Section 302 of

ERISA or sections 412 or 430 of the Code, whether or not waived, with respect to any Plan; (e) permit, or allow any member of the Controlled Group to permit, the actuarial present value of the benefit liabilities (as "actuarial present value of the benefit liabilities" shall have the meaning specified in section 4041 of ERISA) under any Plan that is regulated under Title IV of ERISA to exceed the current value of the assets (computed on a plan termination basis in accordance with Title IV of ERISA) of such Plan allocable to such benefit liabilities; (f) contribute to or assume an obligation to contribute to, or permit any member of the Controlled Group to contribute to or assume an obligation to contribute to, any Multiemployer Plan; (g) acquire, or permit any member of the Controlled Group to acquire, an interest in any Person that causes such Person to become a member of the Controlled Group if such Person sponsors, maintains or contributes to, or at any time in the six-year period preceding such acquisition has sponsored, maintained, or contributed to, (1) any Multiemployer Plan, or (2) any other Plan that is subject to Title IV of ERISA under which the actuarial present value of the benefit liabilities under such Plan exceeds the current value of the assets (computed on a plan termination basis in accordance with Title IV of ERISA) of such Plan allocable to such benefit liabilities; (h) incur, or permit any member of the Controlled Group to incur, a liability to or on account of a Plan under sections 4062, 4063, 4064, 4201 or 4204 of ERISA; or (i) contribute to or assume an obligation to contribute to any employee welfare benefit plan, as defined in section 3(1) of ERISA, maintained to provide benefits to former employees of such entities, that may not be terminated by such entities in their sole discretion at any time without any liability.

Section 6.14 Sale and Leaseback Transactions. The Borrower shall not, and shall not permit any Credit Party to, sell or transfer to a Person any Property, whether now owned or hereafter acquired, if at the time or thereafter such Credit Party or any other Credit Party shall lease as lessee such Property or any part thereof or other Property which any such Credit Party intends to use for substantially the same purpose as the Property sold or transferred.

Section 6.15 Limitation on Hedging.

(a) The Borrower shall not, and shall not permit any Credit Party to:

(i) purchase, assume, or hold a speculative position in any commodities market or futures market or enter into any Hedging Arrangement for speculative purposes; or

(ii) enter into any Hedging Arrangement which:

(A) is entered into for reasons other than as a part of its normal business operations as a risk management strategy and/or hedge against changes resulting from market conditions related to its or another Credit Party's operations; or

(B) covers (calculated separately for each type of Hydrocarbon):

(i.) for each full calendar month during the first twenty-four calendar months of the forthcoming sixty full calendar months following the execution of such Hedging Arrangement, notional volumes (in the aggregate, taking into account all other Hedging

Arrangements to which any Credit Party is a party) in excess of the greater of (x) 90% of PDP Reserves (or in the case of any full calendar month during 2017, 100% of PDP Reserves) (as described in the most recently delivered Engineering Report pursuant to Section 5.2(c)) and (y) 85% of Proven Reserves (as described in the report required to be delivered pursuant to Section 5.2(c)), in either case, of crude oil, natural gas and natural gas liquids (each measured separately), attributable to Oil and Gas Properties of the Credit Parties; or

(ii.) for each full calendar month during the last thirty-six full calendar months of the forthcoming sixty full calendar months following the execution of such Hedging Arrangement, notional volumes (in the aggregate, taking into account all other Hedging Arrangements to which any Credit Party is a party) in excess of the greater of (x) 90% of PDP Reserves (as described in the most recently delivered Engineering Report pursuant to Section 5.2(c)) and (y) 75% of Proven Reserves (as described in the report required to be delivered pursuant to Section 5.2(c)), in either case, of crude oil, natural gas and natural gas liquids (each measured separately) attributable to Oil and Gas Properties of the Credit Parties;

provided that, the volume limitations in clause (B) above shall not apply to put option contracts that are not related to corresponding calls, collars or swaps; or

(C) is longer than 60 months in duration from the effective date of such Hedging Arrangement; or

(D) is secured (unless such Hedging Arrangement is with a Swap Counterparty and is secured by the Collateral pursuant to the Credit Documents) or obligates any Credit Party to any margin call requirements or otherwise requires any Credit Party to provide collateral; or

(E) unless such counterparty is a Swap Counterparty or such other Person who has (or who has an affiliate that guarantees such Hedging Arrangement, and such affiliate has) at the time the Hedging Arrangement is made, credit ratings of A- or better from S&P or A3 or better from Moody's; or

(iii) be party to, or enter into, any Hedging Arrangement which relates to interest rates if:

(A) such Hedging Arrangement relates to payment obligations on Debt which is not permitted to be incurred under Section 6.1 above,

(B) the aggregate notional amount of all such Hedging Arrangements exceeds 75% of the anticipated outstanding principal balance of the Debt under this Agreement to be hedged by such Hedging Arrangements, or if the term of such Hedging Arrangements extends beyond the Maturity Date,

(C) such Hedging Arrangement is with a Swap Counterparty or such other Person who has who, at the time the Hedging Arrangement is made, has credit ratings that are lower than A- by S & P or A3 by Moody's (or such counterparty has a guarantor of its obligations who is rated lower than such levels),

(D) as to any such Hedging Arrangement covering the Debt incurred under this Agreement, such Hedging Arrangement is made by a Credit Party with a counterparty that is not a Swap Counterparty (unless such Hedging Arrangement is unsecured), or

(E) the floating rate index of such Hedging Arrangement does not generally match the index used to determine the floating rates of interest on the corresponding Debt to be hedged by such Hedging Arrangement.

(b) In no event shall the aggregate notional volume of all Hedging Arrangements in respect of commodities for a particular month exceed 100% of the actual production for each of crude oil, natural gas and natural gas liquids, calculated separately, in the previous calendar month. After the end of any calendar month, if the aggregate notional volumes of all Hedging Arrangements in respect of commodities exceeded 100% of the actual production for any of crude oil, natural gas or natural gas liquids, calculated separately, in such calendar month, then within five (5) Business Days of such month's end, the Borrower shall promptly notify the Administrative Agent of such excess. If such excess exists, the Borrower shall cause a Hedge Event or series of Hedge Events in accordance with Section 6.8(e) such that, at such time and after giving effect to all such Hedge Events, future Hedging Arrangements comply with the requirements of Section 6.15(a).

(c) For purposes of determining compliance under this Section 6.15(a)(ii)(B) and (b), basis differential Hedging Arrangements shall not be included in Hedging Arrangements so long as the volumes of such basis differential Hedging Arrangements are not in excess of the volumes of the underlying commodity Hedging Arrangements.

Section 6.16 Leverage Ratio. The Borrower shall not permit the Leverage Ratio as of each fiscal quarter end, beginning with the fiscal quarter ending September 30, 2017, to be more than 4.00 to 1.00.

Section 6.17 Current Ratio. The Borrower shall not permit the ratio of, as of the last day of each fiscal quarter, beginning with the fiscal quarter ending September 30, 2017, (a) the consolidated current assets of the Credit Parties to (b) the consolidated current liabilities of the Credit Parties, to be less than 1.00 to 1.00. For purposes of this calculation (i) "current assets" shall include, as of the date of calculation, the Availability but shall exclude any asset representing a valuation account arising from the application of ASC 410 and 815, and (ii) "current liabilities" shall exclude, as of the date of calculation, the current portion of long–term Debt existing under this Agreement and any liabilities representing a valuation account arising from the application of ASC 410 and 815.

Section 6.18 Prepayment of Certain Debt and Other Obligations. The Borrower shall not, and shall not permit any Credit Party to, Redeem prior to the scheduled maturity thereof in any manner, or make any payment in violation of any subordination terms of, any Debt (other than Redemptions of, or payments in respect of, Specified Additional Debt in accordance with Section 6.9(c)), except (a) the prepayment of the Obligations in accordance with the terms of this Agreement, (b) regularly scheduled or required repayments or redemptions of Permitted Debt and refinancings and refundings of such Permitted Debt so long as such refinancings and refundings would otherwise comply with Section 6.1, (c) prepayments of intercompany Debt among the Credit Parties in connection with the customary operation of a consolidated cash management system, and (d) so long as no Event of Default or Borrowing Base Deficiency exists or would result therefrom, other prepayments of Permitted Debt not described in the immediately preceding clauses (a),(b), and (c).

Section 6.19 Gas Imbalances, Take-or-Pay or Other Prepayments. The Borrower shall not, nor shall it permit any of the other Credit Parties to, allow (a) gas imbalances (other than those imbalances which (i) occur in the normal course of business and (ii) do not exceed 2% of the value of the PDP Reserves of the Credit Parties), or prepayments with respect to the Oil and Gas Properties of the Borrower or any other Credit Party which would require the Borrower or any Credit Party to deliver their respective Hydrocarbons produced on a monthly basis from such Oil and Gas Properties at some future time without then or thereafter receiving full payment therefor or (b) take-or-pay obligations in excess of $5,000,000 in the aggregate.

Section 6.20 Sale or Discount of Receivables. Except for receivables obtained by the Credit Parties out of the ordinary course of business or the settlement of joint interest billing accounts in the ordinary course of business or discounts granted to settle collection of accounts receivable or the sale of defaulted accounts arising in the ordinary course of business in connection with the compromise or collection thereof and not in connection with any financing transaction, the Borrower shall not, and shall not permit any Credit Party to, discount or sell (with or without recourse) to any other Person that is not a Credit Party any of its notes receivable or accounts receivable.

Section 6.21 Sanctions; Anti-Corruption.

(a) The Borrower shall not, and shall not permit any other Credit Party, to directly or, to the Borrower's knowledge, indirectly, use the proceeds of any Advance or issuance of a Letter of Credit, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business with any individual or entity, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Issuing Lender, Administrative Agent, Lead Arranger, or otherwise) of Sanctions.

(b) The Borrower shall not, and shall not permit any other Credit Party to directly or, to the Borrower's knowledge, indirectly, use the proceeds of any Advance or issuance of a Letter of Credit, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 if and to the extent that any Credit Party is subject to the laws of the United Kingdom, and other similar anti-corruption legislation in other jurisdictions whose laws govern the activities of any Credit Party.

Section 6.22 Marketing Activities. The Borrower shall not, and shall not permit any Credit Party to, engage in marketing activities for any Hydrocarbons or enter into any contracts related thereto other than (a) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from their proved Oil and Gas Properties during the period of such contract, (b) contracts for the sale of Hydrocarbons scheduled or reasonably estimated to be produced from proved Oil and Gas Properties of third parties during the period of such contract associated with the Oil and Gas Properties of the Credit Parties that the Borrower or any such other Credit Party has the right to market pursuant to joint operating agreements, unitization agreements or other similar contracts that are usual and customary in the oil and gas business and (c) other contracts for the purchase and/or sale of Hydrocarbons of third parties (i) which have generally offsetting provisions (*i.e.*, corresponding pricing mechanics, delivery dates and points and volumes) such that no "position" is taken and (ii) for which appropriate credit support has been taken to alleviate the material credit risks of the counterparty thereto.

Section 6.23 Restrictions on Activities of Parent and Intermediate Holdco. Notwithstanding any other provision set forth herein, the Parent shall not, nor shall the Parent permit the Intermediate Holdco (if applicable) to:

(a) own or otherwise acquire or invest in any Oil and Gas Properties or any other assets other than (i)(A) in the case of the Parent, the Equity Interests of the Borrower or Intermediate Holdco, if applicable and (B) in the case of the Intermediate Holdco, if applicable, the Equity Interests of the Borrower, (ii) cash and Liquid Investments subject to compliance with Section 5.8 and (iii) assets (other than Oil and Gas Properties) incidental to the management and advisory services provided to the Credit Parties in the ordinary course of their respective businesses (including legal, accounting, tax and other management and advisory services).

(b) create or suffer to exist any Lien upon any property or assets now owned or hereafter acquired, leased or licensed by it other than (i) Liens securing the Secured Obligations pursuant to the Security Documents to which the Parent or Intermediate Holdco is a party, (ii) Liens for Taxes, assessments, or other governmental charges or levies not yet delinquent or that are being contested in good faith by appropriate proceedings and for which adequate reserves have been established in compliance with GAAP, and (iii) Liens arising solely by virtue of any statutory or common law provisions relating to banker's Liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depositary institution; or

(c) fail to hold itself out to the public as a legal entity separate and distinct from all other Persons.

Section 6.24 Limitation on Leases. The Borrower shall not, and shall not permit any other Credit Party to, create, incur, assume or suffer to exist any obligation for the payment of rent or hire of Property of any kind whatsoever (real or personal but excluding Capital Leases, leases of Hydrocarbon interests and leases of drilling rigs), under leases or lease agreements which would cause the aggregate amount of all payments made by the Credit Parties pursuant to all such leases or lease agreements, including, without limitation, any residual payments at the end of any lease, to exceed $5,000,000 in any period of twelve consecutive calendar months during the life of such leases.

Section 6.25 Deposit Accounts; Account Control Agreements. The Borrower shall not, and shall not permit any Credit Party to, (a) establish and maintain any deposit account (as defined in the Uniform Commercial Code as in effect in New York from time to time) with any Person other than a Lender or (b) establish and maintain any new deposit account or securities account (as defined in the Uniform Commercial Code as in effect in New York from time to time) unless and until all actions necessary to establish the Administrative Agent's control and perfected security interest in each such account that is not an Excluded Account have been satisfied pursuant to Section 5.8. One or more of the Borrower and the other Credit Parties shall be the sole account holders of each deposit account and securities account and shall not allow any other Person (other than the Administrative Agent) to have control over any Property deposited therein.

Section 6.26 Designation and Conversion of Restricted and Unrestricted Subsidiaries.

(a) Unless designated as an Unrestricted Subsidiary after the Closing Date in compliance with Section 6.26(b) below, any Person that becomes a Subsidiary of a Credit Party shall be classified as a Restricted Subsidiary of the Borrower.

(b) The Borrower may designate by written notification thereof to the Administrative Agent, any Restricted Subsidiary, including a newly formed or newly acquired Subsidiary, as an Unrestricted Subsidiary if (i) immediately prior, and immediately after giving effect, to such designation, no Default or any Borrowing Base Deficiency shall have occurred and be continuing, (ii) such designation is deemed to be an investment in an Unrestricted Subsidiary in an amount equal to the fair market value as of the date of such designation of the Borrower's direct and indirect ownership interest in such Subsidiary and such investment would be permitted to be made at the time of such designation under Section 6.3(m), (iii) such designation would be permitted to be made as an Asset Sale for purposes of Section 6.8 and the other terms of this Agreement, (iv) the Borrower is in pro forma compliance with Section 6.16 and Section 6.17, and (v) the Borrower shall have delivered a certificate of a Responsible Officer as of such date of designation or redesignation, as applicable, certifying that each requirement for such designation or redesignation has been satisfied.

(c) The Borrower may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if after giving effect to such designation, (i) the representations and warranties of the Credit Parties contained in each of the Credit Documents are true and correct on and as of such date as if made on and as of the date of such redesignation (or, if stated to have been made expressly as of an earlier date, were true and correct as of such date), (ii) no Default would exist, and (iii) the Borrower complies with any applicable requirements of Section 5.6, Section 5.7, and Section 6.7. Any such designation shall be treated as a cash dividend in an amount equal to the lesser of the fair market value of the Borrower's direct and indirect ownership interest in such Subsidiary or the amount of the Borrower's cash investment previously made for purposes of the limitation on investments under Section 6.3(m).

ARTICLE 7
DEFAULT AND REMEDIES

Section 7.1 Events of Default. The occurrence of any of the following events shall constitute an "Event of Default" under this Agreement and any other Credit Document:

(a) Payment Failure. Any Credit Party (i) fails to pay any principal when due under this Agreement or (ii) fails to pay, within three Business Days of when due, any interest or other amount due under this Agreement or any other Credit Document, including payments of fees, reimbursements, and indemnifications;

(b) False Representation or Warranties. Any representation or warranty made or deemed to be made by any Credit Party or any Responsible Officer thereof in this Agreement, in any other Credit Document or in any certificate delivered in connection with this Agreement or any other Credit Document is incorrect, false or otherwise misleading in any material respect at the time it was made or deemed made (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof);

(c) Breach of Covenant. (i) Any breach by any Credit Party of any of the covenants in Sections 5.1(a), 5.2(h), 5.3(a), 5.12(a), 5.16, 5.20, Article 6, Article 9 of this Agreement or the corresponding covenants in any Guaranty or (ii) any breach by any Credit Party of any other covenant (other than Section 5.11 and Section 5.12(b)) contained in this Agreement or any other Credit Document (except as otherwise provided in Section 7.1(a)) and such breach shall remain unremedied for a period of thirty days following the earlier of (A) the date on which Administrative Agent gave notice of such failure to Borrower and (B) the date any Responsible Officer of such Credit Party acquires knowledge of such failure;

(d) Guaranties. Any provisions in the Guaranties (including, for the avoidance of doubt, Article 9 hereof) shall at any time (before its expiration according to its terms) and for any reason cease to be in full force and effect and valid and binding on the Parent or the other Guarantors party thereto or shall be contested by any party thereto; any Guarantor shall deny it has any liability or obligation under such Guaranties (including, for the avoidance of doubt, Article 9 hereof); or any Guarantor shall cease to exist other than as expressly permitted by the terms of this Agreement;

(e) Security Documents. Any Security Document shall at any time and for any reason (other than pursuant to the terms thereof) cease to create an Acceptable Security Interest in any material portion of the Property purported to be subject to such agreement in accordance with the terms of such agreement or any provisions thereof shall cease to be in full force and effect and valid and binding on the Credit Party that is a party thereto or any such Credit Party shall so state in writing (unless released or terminated pursuant to the terms of this Agreement or such Security Document or caused by the failure of the Administrative Agent to take any action within its control);

(f) Cross-Default. (i) Any Credit Party shall fail to pay any principal of or premium or interest on its Debt which is outstanding in a principal amount of at least $25,000,000 individually or when aggregated with all such Debt of the Borrower and the Guarantors so in default (but excluding the Obligations) when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; (ii) any other event shall occur or condition (including, without limitation, any "event of default" or "termination event" in respect of any Hedging Arrangement) shall exist under any agreement or instrument relating to Debt which is outstanding in a principal amount of at least $25,000,000 individually or when aggregated with all such Debt of the Credit Parties so in default (other than the Obligations), and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the maturity of such Debt prior to the stated maturity thereof; or (iii) any such Debt shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment or customary mandatory repayment events that do not result from a default thereunder); provided that, for purposes of this paragraph (f), the "principal amount" of the obligations in respect of Hedging Arrangements at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that would be required to be paid if such Hedging Arrangements were terminated at such time;

(g) Bankruptcy and Insolvency. (i) Except as permitted by Section 6.7 above, any Credit Party shall terminate its existence or dissolve, or (ii) any Credit Party or any Subsidiary of the Parent (A) admits in writing its inability to pay its debts generally as they become due; makes an assignment for the benefit of its creditors; consents to or acquiesces in the appointment of a receiver, liquidator, fiscal agent, or trustee of itself or any of its Property; files a petition under bankruptcy or other laws for the relief of debtors; or consents to any reorganization, arrangement, workout, liquidation, dissolution, or similar relief or (B) shall have had, without its consent: any court enter an order appointing a receiver, liquidator, fiscal agent, or trustee of itself or any of its Property; any petition filed against it seeking reorganization, arrangement, workout, liquidation, dissolution or similar relief under bankruptcy or other laws for the relief of debtors and such petition shall not be dismissed, stayed, or set aside for an aggregate of 60 days, whether or not consecutive;

(h) Settlements; Adverse Judgment. Any Credit Party enters into a settlement of any claim against any of them when a suit has been filed or suffers final judgments against any of them since the date of this Agreement in an aggregate amount, less any insurance proceeds covering such settlements or judgments which are received or as to which the insurance carriers do not dispute coverage, greater than $20,000,000 and, in the case of final judgments, either (i) enforcement proceedings shall have been commenced by any creditor upon such judgments or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgments, by reason of a pending appeal or otherwise, shall not be in effect;

(i) Termination Events. Any Termination Event with respect to a Plan shall have occurred, and, 30 days after notice thereof shall have been given to the Borrower by the Administrative Agent, such Termination Event shall not have been corrected and shall have created and caused to be continuing a material risk of Plan termination or liability for withdrawal from the Plan as a "substantial employer" (as defined in Section 4001(a)(2) of ERISA), which termination or withdrawal would reasonably be expected to result in a liability greater than $20,000,000;

(j) Plan Withdrawals. The Parent or any member of the Controlled Group as employer under a Multiemployer Plan shall have made a complete or partial withdrawal from such Multiemployer Plan and as a result thereof, the Parent or any of its Subsidiaries shall have incurred an obligation to pay money that would reasonably be expected to exceed $20,000,000;

(k) Credit Documents. Except as otherwise provided in Section 7.1(d) and Section 7.1(e) hereof, any material provision of any Credit Document shall for any reason cease to be valid and binding on a Credit Party or any such Person shall so state in writing; and

(l) Change in Control. The occurrence of a Change in Control.

Section 7.2 Optional Acceleration of Maturity. If any Event of Default (other than an Event of Default under Section 7.1(g)) shall have occurred and be continuing, then, and in any such event:

(a) the Administrative Agent (i) shall at the request, or may with the consent, of the Majority Lenders, by notice to the Borrower, declare that the obligation of each Lender to make Advances and the obligation of the Issuing Lender to issue Letters of Credit shall be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Majority Lenders, by notice to the Borrower, declare the Obligations, the Notes, all interest thereon, and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Obligations, the Notes, all such interest, and all such amounts shall become and be forthwith due and payable in full, without presentment, demand, protest or further notice of any kind (including, without limitation, any notice of intent to accelerate or notice of acceleration), all of which are hereby expressly waived by each of the Credit Parties,

(b) the Borrower shall, on demand of the Administrative Agent at the request or with the consent of the Majority Lenders, deposit with the Administrative Agent into the Cash Collateral Account an amount of cash equal to the outstanding Letter of Credit Exposure as security for the Secured Obligations to the extent the Letter of Credit Obligations are not otherwise paid or Cash Collateralized at such time, and

(c) the Administrative Agent shall at the request of, or may with the consent of, the Majority Lenders proceed to enforce its rights and remedies under the Security Documents, the Guaranties, or any other Credit Document for the ratable benefit of the Secured Parties by appropriate proceedings.

Section 7.3 Automatic Acceleration of Maturity. If any Event of Default pursuant to Section 7.1(g) shall occur:

(a) the obligation of each Lender to make Advances and the obligation of the Issuing Lender to issue Letters of Credit shall immediately and automatically be terminated and the Obligations, the Notes, all interest on the Notes, and all other amounts payable under this Agreement shall immediately and automatically become and be due and payable in full, without presentment, demand, protest or any notice of any kind (including, without limitation, any notice of intent to accelerate or notice of acceleration), all of which are hereby expressly waived by each of the Credit Parties,

(b) the Borrower shall, on demand of the Administrative Agent at the request or with the consent of the Majority Lenders, deposit with the Administrative Agent into the Cash Collateral Account an amount of cash equal to the outstanding Letter of Credit Exposure as security for the Secured Obligations to the extent the Letter of Credit Obligations are not otherwise paid or Cash Collateralized at such time, and

(c) the Administrative Agent shall at the request of, or may with the consent of, the Majority Lenders proceed to enforce its rights and remedies under the Security Documents, the Guaranties, or any other Credit Document for the ratable benefit of the Secured Parties by appropriate proceedings.

Section 7.4 Set-off. Subject to Section 8.10(d), upon (a) the occurrence and during the continuance of any Event of Default and (b) the making of the request or the granting of the consent, if any, specified by Section 7.2 to authorize the Administrative Agent to declare the Notes and any other amount payable hereunder due and payable pursuant to the provisions of Section 7.2 or the automatic acceleration of the Notes and all amounts payable under this Agreement pursuant to Section 7.3, the Administrative Agent, each Lender and each Swap Counterparty 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) at any time held and other indebtedness at any time owing by the Administrative Agent, such Lender or such Swap Counterparty to or for the credit or the account of any Credit Party against any and all of the obligations of the Borrower now or hereafter existing under this Agreement, the Notes held by the Administrative Agent or such Lender, the other Credit Documents, and any applicable Hedging Arrangements, irrespective of whether or not the Administrative Agent or such Lender or such Swap Counterparty shall have made any demand under this Agreement, such Note, such other Credit Documents, or such Hedging Arrangements, and although such obligations may be unmatured. Each Lender agrees to promptly notify the Borrower and the Administrative Agent after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Administrative Agent, each Lender and each Swap Counterparty under this Section 7.4 are in addition to any other rights and remedies (including, without limitation, other rights of set-off) which the Administrative Agent, such Lender or such Swap Counterparty may have.

Section 7.5 Remedies Cumulative, No Waiver. No right, power, or remedy conferred to the Administrative Agent, the Issuing Lender, the Lenders and the Swap Counterparties in this Agreement or the Credit Documents, or now or hereafter existing at law, in equity, by statute, or otherwise shall be exclusive, and each such right, power, or remedy shall to the full extent permitted by law be cumulative and in addition to every other such right, power or remedy. No course of dealing and no delay in exercising any right, power, or remedy conferred to the Administrative Agent, the Issuing Lender, the Lenders and the Swap Counterparties in this Agreement and the Credit Documents or now or hereafter existing at law, in equity, by statute, or otherwise shall operate as a waiver of or otherwise prejudice any such right, power, or remedy. Any Lender may cure any Event of Default without waiving the Event of Default. No notice to or demand upon the Borrower or any other Credit Party shall entitle the Borrower or any other Credit Party to similar notices or demands in the future.

Section 7.6 Application of Payments. Prior to an Event of Default, all payments made hereunder shall be applied by the Administrative Agent as directed by the Borrower, but subject to the terms of this Agreement, including the application of prepayments according to Section 2.5 and Section 2.12. During the existence of an Event of Default, all payments and collections received by the Administrative Agent (other than as a result of the exercise of remedies against Collateral or against the Borrower or any Credit Party) shall be applied by the Administrative Agent in its discretion, but subject to the terms of this Agreement, including the application of prepayments according to Section 2.5 and Section 2.12. During the existence of an Event of Default, all payments and collections received by the Administrative Agent as a result of the exercise of remedies against Collateral or against the Borrower or any Credit Party shall be applied to the Secured Obligations in accordance with Section 2.12 and otherwise in the following order:

FIRST, to the payment of all costs and expenses incurred by the Administrative Agent (in its capacity as such hereunder or under any other Credit Document) in connection with this Agreement or any of the Secured Obligations, including all court costs and the fees and expenses of its agents and legal counsel, the repayment of all advances made by the Administrative Agent as secured party hereunder or under any other Credit Document on behalf of any Credit Party and any other costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Credit Document;

SECOND, to the payment of all accrued interest constituting part of the Secured Obligations (the amounts so applied to be distributed ratably among the Secured Parties in accordance with the amounts of the Secured Obligations described in this clause "SECOND" owed to them on the date of any such distribution);

THIRD, to the payment of any Secured Obligations not addressed in clauses "FIRST" or "SECOND" of this Section 7.6(c) (including, without limitation, any principal, fees or expenses, Letter of Credit Obligations, Obligations to make deposits into the Cash Collateral Account, Secured Obligations owing to Swap Counterparties in respect of Hedging Arrangements, and Banking Services Obligations) constituting part of the Secured Obligations (the amounts so applied to be distributed ratably among the Secured Parties in accordance with the amounts of the Secured Obligations described in this clause "THIRD" owed to them on the date of any such distribution); and

FOURTH, to the Credit Parties, their successors or assigns, or as a court of competent jurisdiction may otherwise direct.

Section 7.7 Equity Right to Cure.

(a) Notwithstanding anything to the contrary contained in Section 7.1, in the event of any Event of Default under the covenant set forth in Section 6.16 and until the expiration of the tenth (10th) Business Day after the date on which financial statements are required to be delivered pursuant to Section 5.2(a) or (b) and the corresponding Compliance Certificate is required to be delivered pursuant to Section 5.2(f) with respect to the applicable fiscal quarter hereunder, the Parent may (in accordance with applicable law) sell or issue common Equity Interests of the Parent to any Person that is not a Credit Party (to the extent such transaction would not result in a Change in Control) or otherwise obtain cash capital contributions on account of common Equity Interests and, in either case, apply the proceeds of such issuance of Equity Interests to, as applicable, increase Consolidated EBITDAX (such application, a "Covenant Cure Payment"); provided that (i) the proceeds of such issuance of Equity Interests or cash capital contribution, as applicable, is actually received by the Parent no later than ten (10) Business Days after the date on which financial statements are required to be delivered pursuant to Section 5.2(a) or (b) and the corresponding Compliance Certificate is required to be delivered pursuant to Section 5.2(f) with respect to such fiscal quarter hereunder and (ii) the amount of the Covenant Cure Payment shall not exceed the amount necessary to bring the Borrower into compliance with Section 6.16, if any. Subject to the terms set forth above and the terms in clause (b) and (c) below, upon (A) application of the proceeds of such issuance of Equity Interests or cash capital contribution, as applicable, as provided above within the ten (10) Business Day period described above in such amounts sufficient to cure the Events of Default under the covenant set forth in Section 6.16, and (B) delivery of an updated Compliance Certificate executed by a Responsible Officer to the Administrative Agent reflecting compliance with the covenant set forth in Section 6.16, as applicable, such Events of Default shall be deemed cured and no longer in existence. For the avoidance of doubt, the amount of any Covenant Cure Payment made in accordance with the terms of this Section 7.7 shall be deemed to increase EBITDAX by a like amount for purposes of calculating the Leverage Ratio for the relevant fiscal quarter.

(b) The parties hereby acknowledge and agree that this Section 7.7 may not be relied on for purposes of calculating any financial ratios or other conditions or compliances other than the financial covenant set forth in Section 6.16 and shall not result in any adjustment to any amounts (including, for the avoidance of doubt, any decrease to Debt with the proceeds of such issuance of Equity Interests or other cash capital contribution, as applicable) other than the amount of Consolidated EBITDAX referred to in Section 7.7(a) above for purposes of determining the Borrower's compliance with Section 6.16. To the extent a Covenant Cure Payment is applied to increase Consolidated EBITDAX, such Covenant Cure Payment shall only be taken into account in connection with the calculations of the covenant contained in Section 6.16 as of a particular fiscal quarter end and any subsequent calculations of such covenants which contain such particular fiscal quarter as part of its trailing twelve month period or trailing four quarter period.

(c) In each period of four consecutive fiscal quarters, there shall be at least two (2) fiscal quarters in which no cure set forth in this Section 7.7 is made. Furthermore, the Parent may not utilize more than five cures provided in this Section 7.7 during the duration of this Agreement.

ARTICLE 8
THE ADMINISTRATIVE AGENT

Section 8.1 Appointment, Powers, and Immunities. (a) Each of the Lenders and the Issuing Lender hereby irrevocably appoints Wells Fargo to act on its behalf as the Administrative Agent hereunder and under the other Credit Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Lender, and neither the Borrower nor any other Credit Party shall have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Credit Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) Each Lender irrevocably appoints the Administrative Agent as its agent and bailee for the purpose of perfecting Liens (whether pursuant to Section 8-301(a)(2) of the UCC or otherwise), for the benefit of the Secured Parties, in assets in which, in accordance with the UCC or any other applicable Legal Requirement a security interest can be perfected by possession or control. Should any Lender (other than the Administrative Agent) obtain possession or control of any such Collateral, such Lender shall notify the Administrative Agent thereof, and, promptly following the Administrative Agent's request therefor, shall deliver such Collateral to the Administrative Agent or otherwise deal with such Collateral in accordance with the Administrative Agent's instructions.

Section 8.2 Rights as a Lender. Such Persons serving as the Administrative Agent hereunder shall each have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Persons serving as the Administrative Agent hereunder in its individual capacity. Such Persons and their Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Parent or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 8.3 Exculpatory Provisions.

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Credit Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Credit Documents that the Administrative Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Credit Documents); provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Credit Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(iii) shall not, except as expressly set forth herein and in the other Credit Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Parent or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of their Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders or Required Lenders, as applicable, (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 10.3 and Section 7.2), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent in writing by the Parent, the Borrower, a Lender or the Issuing Lender.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Credit Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Credit Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article 3 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 8.4 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of an

Advance, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the Issuing Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender or the Issuing Lender unless the Administrative Agent shall have received notice to the contrary from such Lender or the Issuing Lender prior to the making of such Advance or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for one or more Credit Parties), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 8.5 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Credit Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facility evidenced by this Agreement as well as activities as the Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 8.6 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the Issuing Lender and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right (with the consent of the Borrower so long as no Default shall exist, and which consent may not be unreasonably withheld) to appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders and the Issuing Lender, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that in no event shall any such successor Administrative Agent be a Defaulting Lender. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents and (2) except for any indemnity payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and the Issuing Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than any rights to indemnity payments owed to the retiring or removed Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Credit Documents, the provisions of this Article and Section 10.1 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

Section 8.7 Non-Reliance on Administrative Agent and Other Lenders. Each Lender and the Issuing Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and the Issuing Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Credit Document or any related agreement or any document furnished hereunder or thereunder.

Section 8.8 No Other Duties, etc. Anything herein to the contrary notwithstanding, none of the Bookrunners, Lead Arranger or any other titles, if any, listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Credit Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or the Issuing Lender hereunder.

Section 8.9 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Credit Party, the Administrative Agent (irrespective of whether the principal of any Advance or Letter of Credit Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Advances, Letter of Credit Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Lender and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuing Lender and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the Issuing Lender and the Administrative Agent under Sections 2.7, 10.1 and 10.2) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and the Issuing Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the Issuing Lender, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.7, 10.1, or 10.2.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any Issuing Lender any plan of reorganization, arrangement, adjustment or composition affecting the Debt or the rights of any Lender or any Issuing Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender or any Issuing Lender or in any such proceeding.

The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Majority Lenders, to credit bid all or any portion of the Secured Obligations (including accepting some or all of the Collateral in satisfaction of some or all of the Secured Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (i) at any sale thereof conducted under the provisions of the Bankruptcy Code of the United States, including under Sections 363, 1123 or 1129 of the Bankruptcy Code of the United States, or any similar laws in any other jurisdictions to which a Credit Party is subject or (ii) at any other sale or foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law following the occurrence and during the continuance of an Event of Default. In connection with any such credit bid and purchase, the Secured Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid on a ratable basis (with Secured Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that would vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) in the asset or assets so purchased (or in the Equity Interests or debt instruments of the acquisition vehicle or vehicles that are used to consummate such purchase). In connection with any such bid (w) the Administrative Agent shall be authorized to form one or more acquisition vehicles to make a bid, (x) to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by

the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or Equity Interests thereof shall be governed, directly or indirectly, by the vote of the Majority Lenders, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Majority Lenders contained in Section 10.3), (y) the Administrative Agent shall be authorized to assign the relevant Debt to any such acquisition vehicle pro rata by the Lenders, as a result of which each of the Lenders shall be deemed to have received a pro rata portion of any Equity Interests and/or debt instruments issued by such an acquisition vehicle on account of the assignment of the Debt to be credit bid, all without the need for any Secured Party or acquisition vehicle to take any further action, and (z) to the extent that Debt that is assigned to an acquisition vehicle is not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Secured Obligations assigned to the acquisition vehicle exceeds the amount of debt credit bid by the acquisition vehicle or otherwise), such Secured Obligations shall automatically be reassigned to the Lenders pro rata and the Equity Interests and/or debt instruments issued by any acquisition vehicle on account of the Secured Obligations that had been assigned to the acquisition vehicle shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action.

Section 8.10 Collateral and Guaranty Matters.

(a) The Secured Parties irrevocably authorize the Administrative Agent, at its option and in its discretion,

(i) to release any Lien on any property granted to or held by the Administrative Agent under any Credit Document (A) upon Payment in Full of Obligations, (B) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted under the Credit Documents, (C) constituting property in which no Credit Party owned an interest at the time the Lien was granted or at any time thereafter, or (D) constituting property leased to any Credit Party under a lease which has expired or has been terminated in a transaction permitted under this Agreement or is about to expire and which has not been, and is not intended by such Credit Party to be, renewed or extended, or (E) subject to Section 10.3, if such release or the disposition of such property is approved, authorized or ratified in writing by the Required Lenders;

(ii) to subordinate any Lien on any property granted to or held by the Administrative Agent under any Credit Document to the holder of any Lien on such property that is permitted by Section 6.1(b);

(iii) to release any Guarantor from its obligations under the Guaranty (or, with respect to the Parent, Article 9 hereof) if such Person ceases to be a Restricted Subsidiary or otherwise ceases to be a Subsidiary as a result of a transaction permitted under the Credit Documents, and to release any Lien on any property of such Person; and

(iv) to take any action in exigent circumstances as may be reasonably necessary to preserve any rights or privileges of the Secured Parties under the Credit Documents or applicable Legal Requirements.

Upon the Borrower's reasonable request, the Administrative Agent shall execute documents as may be required to evidence any release or subordination described above and to authorize the filing of UCC-3 termination statements or other applicable filings. Upon request by the Administrative Agent at any time, the Secured Parties will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty (or with respect to the Parent, Article 9 hereof) pursuant to this Section 8.10. By accepting the benefit of the Liens granted pursuant to the Security Documents, each Secured Party hereby agrees to the terms of this paragraph (a).

(b) The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Credit Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

(c) Notwithstanding anything contained in any of the Credit Documents to the contrary, the Credit Parties, the Administrative Agent, and each Secured Party hereby agree that no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guaranties, it being understood and agreed that all powers, rights and remedies hereunder and under the Security Documents may be exercised solely by Administrative Agent on behalf of the Secured Parties in accordance with the terms hereof and the other Credit Documents. By accepting the benefit of the Liens granted pursuant to the Security Documents, each Secured Party not party hereto hereby agrees to the terms of this paragraph (c).

(d) Without limiting the foregoing paragraph (c), and without limiting the provisions of Section 7.4 and Section 9.7 (or such similar set-off rights under any Guaranty), each Secured Party, by its acceptance of the benefits of the Security Documents, agrees that:

(i) it will not, without the prior written consent of the Administrative Agent, exercise any right to set off or apply any deposits of any kind, or any other obligations owing by it to or for the order of the Parent (or the Intermediate Holdco, if applicable), the Borrower or any of its Restricted Subsidiaries, against any of such Credit Party's obligations (A) in respect of Banking Service Obligations, (B) owing to Swap Counterparties under any Hedging Arrangements or (C) any other amounts secured by Liens on Collateral (collectively, the "Specified Obligations"); provided that nothing contained in this Section or elsewhere in this Agreement shall impair the right of any Swap Counterparty to declare an early termination date in respect of any Hedging Arrangements, or to undertake payment or close-out netting or to otherwise setoff trades or transactions then existing under such Hedging Arrangements;

(ii) it will not, without the prior written consent of the Administrative Agent, take any judicial or other action against the Parent (or the Intermediate Holdco, if applicable), the Borrower or any Restricted Subsidiary, or against any Collateral or any other collateral pledged to secure any Specified Obligations, of the type that would invoke the application of the "security first" rule contained in Section 726 of the California Code of Civil Procedure or any subsequent replacement statutory provision;

(iii) it will not, without the prior written consent of the Administrative Agent, (x) pursue or attempt to realize upon any Collateral or any part or portion thereof, (y) do anything or take any action with respect to any Collateral which would constitute an "action" for purposes of California law, or (z) bid on any Collateral at a foreclosure sale, or take possession or operate any portion of the Collateral which constitutes real property;

(iv) it will not transfer any portion of its rights in respect of any Hedging Arrangement, Banking Service Obligation or other Specified Obligation, unless the assignee agrees in writing to be bound by the terms of this Section 8.10(d) and a copy of such writing is delivered to the Administrative Agent; and

(v) if it exercises any right of setoff or takes any other action in contravention of this Section 8.10(d) or in contravention of Section 7.4 and Section 9.7 (or such similar set-off rights under any Guaranty), it shall indemnify the Administrative Agent and each other Secured Party, from any and all losses, expenses and damages (including attorneys' fees and costs) such party shall suffer or incur by reason of such setoff or other action, including losses, expenses and damages (including attorneys' fees and costs) caused by or resulting from the release, loss or waiver of any Collateral or any Lien thereon securing the Secured Obligations, or the unenforceability of any Security Document or other Credit Document or any assertions that any Collateral or Lien securing the Secured Obligations thereon was released, lost or waived.

The provisions of this Section 8.10(d) shall apply to each Secured Party and their respective successors and assigns. The provisions of this Section 8.10(d) are solely for the benefit of the Secured Parties, and none of the Parent (or the Intermediate Holdco, if applicable), the Borrower nor any of their Subsidiaries shall have rights as a third party beneficiary of any such provisions.

ARTICLE 9
PARENT GUARANTY

Section 9.1 Parent Guaranty.

(a) The Parent hereby absolutely, unconditionally and irrevocably guarantees (on a joint and several basis with the other Guarantors) the punctual payment and performance, when due, whether at stated maturity, by acceleration or otherwise, of all Secured Obligations (collectively, the "Guaranteed Obligations"); provided, however, that as used herein "Guaranteed Obligations" shall not include the Excluded Swap Obligations. Without limiting the generality of the foregoing, the Parent's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by the Borrower or any other Credit Party to the Administrative Agent, the Issuing Lender or any Lender under the Credit Documents and by the Borrower or any other Credit Party to the Swap Counterparty, Banking Services Provider, or any other Secured Party but for the fact that they are unenforceable or not allowable due to insolvency or the existence of a bankruptcy, reorganization or similar proceeding involving the

Borrower or any other Credit Party. The Parent shall make all payments hereunder without setoff or counterclaim and free and clear of and without deduction for any Taxes to the extent such Taxes would be payable by or on account of any obligation of the Borrower or any Credit Party in accordance with this Agreement. The obligations of the Parent under this Article 9 constitute a guaranty of payment when due and not of collection, and the Parent specifically agrees that it shall not be necessary or required that the Administrative Agent or any Secured Party exercise any right, assert any claim or demand or enforce any remedy whatsoever against any other Credit Party or any other Person before or as a condition to the obligations of the Parent hereunder.

(b) Anything contained herein to the contrary notwithstanding, the obligations of the Parent under this Article 9 on any date shall be limited to a maximum aggregate amount equal to the largest amount that would not, on such date, render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of the Bankruptcy Code of the United States or any applicable provisions of comparable laws relating to bankruptcy, insolvency, or reorganization, or relief of debtors (collectively, the "Fraudulent Transfer Laws"), but only to the extent that any Fraudulent Transfer Law has been found in a final non-appealable judgment of a court of competent jurisdiction to be applicable to such obligations as of such date, in each case:

(i) after giving effect to all liabilities of the Parent, contingent or otherwise, that are relevant under the Fraudulent Transfer Laws, but specifically excluding:

(A) any liabilities of the Parent in respect of intercompany indebtedness to the Borrower or other Credit Party to the extent that such indebtedness would be discharged in an amount equal to the amount paid by the Parent hereunder; and

(B) any liabilities of the Parent with respect to the Guaranteed Obligations; and

(ii) after giving effect as assets to the value (as determined under the applicable provisions of the Fraudulent Transfer Laws) of any rights to subrogation, reimbursement, indemnification or contribution of the Parent pursuant to applicable law or pursuant to the terms of any agreement.

Section 9.2 Guaranty Absolute. The Parent guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Credit Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Secured Party with respect thereto. The obligations of the Parent under this Article 9 are independent of the Guaranteed Obligations, and a separate action or actions may be brought and prosecuted against the Parent to enforce the provisions of this Article 9, irrespective of whether any action is brought against the Borrower, any other Guarantor or any other Person or whether the Borrower, any other Guarantor or any other Person is joined in any such action or actions. The liability of the Parent under this Article 9 shall be irrevocable, absolute and unconditional irrespective of, and the Parent hereby irrevocably waives, to the extent not prohibited by applicable law, any defenses it may now or hereafter have (other than a defense of payment or performance) in any way relating to, any or all of the following:

(a) any lack of validity or enforceability of any Credit Document or any agreement or instrument relating thereto or any part of the Guaranteed Obligations being irrecoverable;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to departure from any Credit Document or any agreement or instrument relating to Hedging Arrangements with a Swap Counterparty, or agreement relating to Banking Services with a Banking Services Provider, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to the Borrower or otherwise;

(c) any taking, exchange, release or non-perfection of any lien on any collateral, or any taking, release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations;

(d) any manner of application of collateral, or proceeds thereof, to all or any of the Guaranteed Obligations, or any manner of sale or other disposition of any collateral for all or any of the Guaranteed Obligations or any other obligations of any other Person under the Credit Documents or any other assets of the Borrower or any other Guarantor;

(e) any change, restructuring or termination of the corporate, limited liability company, or partnership structure or existence of the Borrower or any other Guarantor;

(f) any failure of any Secured Party to disclose to the Borrower or any other Guarantor any information relating to the business, condition (financial or otherwise), operations, properties or prospects of any Person now or in the future known to the Administrative Agent, the Issuing Lender, any Lender or any other Secured Party (and the Parent hereby irrevocably waives any duty on the part of any Secured Party to disclose such information);

(g) any signature of any officer of the Borrower or any other Guarantor being mechanically reproduced in facsimile or otherwise; or

(h) any other circumstance or any existence of or reliance on any representation by any Secured Party that might otherwise constitute a defense available to, or a discharge of, the Borrower, any other Guarantor or any other guarantor, surety or other Person other than payment in full, in cash, of the Guaranteed Obligations.

Section 9.3 Continuation and Reinstatement, Etc. The Parent agrees that, to the extent that payments of any of the Guaranteed Obligations are made, or any Secured Party receives any proceeds of collateral, and such payments or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, or otherwise required to be repaid, then to the extent of such repayment the Guaranteed Obligations shall be reinstated and continued in full force and effect as of the date such initial payment or collection of proceeds occurred. **THE LIABILITIES OF THE PARENT AS SET FORTH IN THIS SECTION 9.3 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

Section 9.4 Waivers and Acknowledgments.

(a) The Parent, to the extent not prohibited by applicable law, hereby waives promptness, diligence, presentment, notice of acceptance and any other notice with respect to any of the Guaranteed Obligations and this Agreement and any requirement that any Secured Party protect, secure, perfect or insure any Lien or any property or exhaust any right or take any action against the Borrower or any other Person or any collateral.

(b) The Parent, to the extent not prohibited by applicable law, hereby irrevocably waives any right to revoke the provisions of this Article 9, and acknowledges that the obligations under this Article 9 are continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

(c) The Parent acknowledges that it will receive substantial direct or indirect benefits from (i) the financing arrangements involving the Borrower or any other Guarantor contemplated by the Credit Documents, (ii) the Hedging Arrangements with a Swap Counterparty, and (iii) the Banking Services provided to the Borrower or any other Guarantor, and that the waivers set forth in this Article 9 are knowingly made in contemplation of such benefits.

Section 9.5 Subrogation and Subordination.

(a) The Parent will not exercise any rights that it may now have or hereafter acquire against the Borrower or any other Person to the extent that such rights arise from the existence, payment, performance or enforcement of the Parent's obligations under this Article 9 or any other Credit Document, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Secured Party against the Borrower or any other Person, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from the Borrower or any other Person, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right, unless and until the Payment in Full of Obligations. If any amount shall be paid to the Parent in violation of the preceding sentence at any time prior to or on the Payment in Full of Obligations, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Administrative Agent to be credited and applied to the Guaranteed Obligations and any and all other amounts payable by the Parent under this Article 9, whether matured or unmatured, in accordance with the terms of the Credit Documents.

(b) The Parent agrees that, until after the Payment in Full of Obligations, all Subordinated Guarantor Obligations (as hereinafter defined) are and shall be subordinate and inferior in rank, preference and priority (in liquidation, dissolution, bankruptcy, reorganization, or otherwise) to all obligations of the Parent in respect of the Guaranteed Obligations hereunder, and the Parent shall, if requested by the Administrative Agent, execute a subordination agreement reasonably satisfactory to the Administrative Agent to more fully set out the terms of such subordination, it being understood that unless an Event of Default has occurred and is continuing (or would otherwise result from the making of any such payment or prepayment), payments and prepayments in respect of such Subordinated Guarantor Obligations may be made

from time to time. The Parent agrees that none of the Subordinated Guarantor Obligations shall be secured by a lien or security interest on any assets of the Parent, including any ownership interests in any Subsidiary of the Parent (including the Borrower) or on any other assets of the Parent or any Subsidiary (including the Borrower). "Subordinated Guarantor Obligations" means any and all obligations and liabilities of either (i) the Borrower or any other Guarantor owing to the Parent, or (ii) the Parent owing to the Borrower or any other Guarantor, direct or contingent, due or to become due, now existing or hereafter arising, including, without limitation, all future advances, with interest, attorneys' fees, expenses of collection and costs.

Section 9.6 Representations and Warranties. The Parent hereby represents and warrants to the Secured Parties as follows:

(a) There are no conditions precedent to the effectiveness of the obligations of the Parent under this Article 9. The Parent benefits from executing this Agreement and the undertaking its obligations hereunder, including without limitation, those set forth in this Article 9.

(b) The Parent has, independently and without reliance upon the Administrative Agent, any Lender or any other Secured Party, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into the obligations hereunder, and the Parent has established adequate means of obtaining from the Borrower and each other relevant Person on a continuing basis information pertaining to, and is now and on a continuing basis will be sufficiently familiar with, the business, condition (financial and otherwise), operations, properties and prospects of the Borrower and each other relevant Person.

Section 9.7 Right of Set-Off. Subject to Section 8.10(d), upon the occurrence and during the continuance of any Event of Default, any Lender or the Administrative Agent, the Issuing Lender and any other Secured Party is hereby authorized at any time, to the fullest extent permitted by law, to set-off and apply any deposits (general or special, time or demand, provisional or final) and other indebtedness owing by such Secured Party to the account of the Parent against any and all of the obligations of the Parent under this Article 9, irrespective of whether or not such Secured Party shall have made any demand under this Agreement and although such obligations may be contingent and unmatured or are owed to another branch or office of a Secured Party different from the branch or office holding such deposit or obligated on such indebtedness. Such Secured Party shall promptly notify the Parent after any such set-off and application is made, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Secured Parties under this Section 9.7 are in addition to other rights and remedies (including, without limitation, other rights of set-off) which any Secured Party may have.

Section 9.8 Continuing Guaranty: Assignments. The obligations of the Parent under this Article 9 are a continuing guaranty and shall (a) remain in full force and effect until the Payment in Full of Obligations, (b) be binding upon the Parent and its successors and assigns, (c) inure to the benefit of and be enforceable by the Administrative Agent, each Lender and the Issuing Lender and their respective successors, and, in the case of transfers and assignments made in accordance with this Agreement, transferees and assigns, and (d) inure to the benefit of and be enforceable by each Secured Party and each of its successors, transferees and assigns to

the extent such successor, transferee or assign also falls within the definition of Secured Party. Without limiting the generality of the foregoing clause (c), subject to Section 10.7 of this Agreement, any Lender may assign or otherwise transfer all or any portion of its rights and obligations under the this Agreement (including, without limitation, all or any portion of its Commitment, the Advances owing to it and the Note or Notes held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise, subject, however, in all respects to the provisions of this Agreement. The Parent acknowledges that upon any Person becoming a Lender, the Administrative Agent or the Issuing Lender in accordance with this Agreement, such Person shall be entitled to the benefits of this Agreement, including, without limitation, such benefits under this Article 9.

ARTICLE 10
MISCELLANEOUS

Section 10.1 Costs and Expenses. The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable and documented fees, charges and disbursements of counsel for the Administrative Agent), in connection with the syndication of the facilities, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Credit 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), (ii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Lender in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder; and (iii) all documented out-of-pocket expenses incurred by the Lead Arrangers, the Administrative Agent, the Lenders, the Issuing Lender, the Documentation Agent, the Syndication Agent and the Swap Counterparties (including the fees, charges, expenses, and disbursements of any counsel for the Lead Arrangers, the Administrative Agent, the Lenders, the Issuing Lender, the Documentation Agent, the Syndication Agent and the Swap Counterparties), in connection with the enforcement or protection of its rights (A) in connection with this Agreement, the other Credit Documents and the Hedging Arrangements with Swap Counterparties, including its rights under this Section, or (B) in connection with the Advances made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Advances or Letters of Credit, and (iv) all out of pocket expenses of the Lenders incurred in the case of documentary taxes with respect to any Credit Document. Notwithstanding the foregoing, the Borrower shall not be responsible for obligations incurred under clause (iii) hereof except for, attorney's fees, expenses and charges for (w) one primary counsel of the Lead Arrangers, the Administrative Agent, the Lenders, the Issuing Lender, the Documentation Agent, the Syndication Agent and the Swap Counterparties (taken as a whole), (x) if necessary, a single firm of local counsel in each appropriate jurisdiction, and (y) additional counsel if such representation by a single counsel would be inappropriate due to the existence of an actual or reasonably perceived conflict of interest.

Section 10.2 Indemnification; Waiver of Damages.

(a) INDEMNIFICATION. EACH OF THE PARENT AND THE BORROWER SHALL INDEMNIFY THE ADMINISTRATIVE AGENT (AND ANY SUB-AGENT THEREOF), EACH LENDER, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (EACH SUCH PERSON BEING CALLED AN "INDEMNITEE") AGAINST, AND HOLD EACH INDEMNITEE HARMLESS FROM, ANY AND ALL LOSSES, CLAIMS, DAMAGES, LIABILITIES AND RELATED REASONABLE AND DOCUMENTED EXPENSES (INCLUDING THE REASONABLE FEES, CHARGES AND DISBURSEMENTS OF ANY COUNSEL FOR ANY INDEMNITEE), INCURRED BY ANY INDEMNITEE OR ASSERTED AGAINST ANY INDEMNITEE BY ANY PERSON (INCLUDING THE BORROWER OR ANY OTHER CREDIT PARTY) OTHER THAN SUCH INDEMNITEE AND ITS RELATED PARTIES ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (I) THE EXECUTION OR DELIVERY OF THIS AGREEMENT, OTHER CREDIT DOCUMENT, ANY HEDGING ARRANGEMENT WITH A SWAP COUNTERPARTY, OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, (II) ANY ADVANCE OR LETTER OF CREDIT OR THE USE OR PROPOSED USE OF THE PROCEEDS THEREFROM (INCLUDING ANY REFUSAL BY THE ISSUING LENDER TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT), (III) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY THE PARENT OR ANY OF ITS SUBSIDIARIES, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO THE PARENT OR ANY OF ITS SUBSIDIARIES, OR (IV) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR BY THE PARENT, THE BORROWER OR ANY OTHER CREDIT PARTY, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE APPLICABLE 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) CONSTITUTE ATTORNEYS' FEES, EXPENSES AND CHARGES FOR ANY COUNSEL OTHER THAN (A) ONE PRIMARY COUNSEL OF THE ADMINISTRATIVE AGENT, THE LENDERS, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES (TAKEN AS A WHOLE), (B) IF NECESSARY, A SINGLE FIRM OF LOCAL COUNSEL IN EACH APPROPRIATE JURISDICTION, AND (C) OTHER COUNSEL IF SUCH REPRESENTATION BY A SINGLE COUNSEL WOULD BE INAPPROPRIATE DUE TO THE EXISTENCE OF AN ACTUAL OR REASONABLY PERCEIVED CONFLICT OF INTEREST, (Y) 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'S OBLIGATIONS HEREUNDER OR UNDER ANY OTHER CREDIT DOCUMENT OR HEDGING ARRANGEMENT, AS APPLICABLE, IF THE PARENT, THE BORROWER OR SUCH CREDIT PARTY HAS OBTAINED A FINAL AND NONAPPEALABLE JUDGMENT IN ITS FAVOR ON SUCH CLAIM AS DETERMINED BY A COURT OF COMPETENT JURISDICTION, OR (Z) RELATE TO ANY PROCEEDING SOLELY BETWEEN OR AMONG INDEMNIFIED PARTIES OTHER THAN (A) CLAIMS AGAINST EITHER THE ADMINISTRATIVE AGENT OR THE LEAD ARRANGERS OR THEIR RESPECTIVE AFFILIATES IN THEIR CAPACITY OR IN FULFILLING THEIR ROLE AS THE ADMINISTRATIVE AGENT OR LEAD ARRANGERS OR ANY OTHER SIMILAR ROLE UNDER THE CREDIT DOCUMENTS (EXCLUDING THE ROLE AS A LENDER) AND (B) CLAIMS ARISING OUT OF ANY ACT OR OMISSION ON THE PART OF THE BORROWER OR ANY OF THE BORROWER'S AFFILIATES. THIS SECTION 10.2(A) SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM.

(b) Reimbursement by Lenders. To the extent that either the Parent or the Borrower for any reason fails to indefeasibly pay any amount required under Section 10.1 or paragraph (a) of this Section 10.2 to be paid by it to the Administrative Agent (or any sub-agent thereof), the Administrative Agent (or any sub-agent thereof), the Issuing Lender, or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the Administrative Agent (or any sub-agent thereof), the Issuing Lender, or such Related Party, as the case may be, such Lender's Pro Rata Share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Commitments at such time, or, if the Commitments have been terminated, such Lender's share of the aggregate outstanding amount of all Advances and plus the Letter of Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender); provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), the Administrative Agent (or any sub-agent thereof), the Issuing Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), the Administrative Agent (or any sub-agent thereof), or the Issuing Lender in connection with such capacity. The obligations of the Lenders under this paragraph (b) are subject to the provisions of Section 2.12(f).

(c) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Credit Party shall assert, agrees not to 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 Credit Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Advance or Letter of Credit, or the use of the proceeds thereof. No Indemnitee referred to in paragraph (a) above 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 Credit Documents or the transactions contemplated hereby or thereby.

(d) Payments. All payments required to be made under this Section 10.2 shall be made within ten (10) days of demand therefor.

(e) Survival. Each party's obligations under this Section shall survive the termination of the Credit Documents and payment of the obligations hereunder.

Section 10.3 Waivers and Amendments. No amendment or waiver of any provision of this Agreement, the Notes, or any other Credit Document (other than the Fee Letters), nor consent to any departure by the Borrower or any Guarantor therefrom, shall in any event be effective unless the same shall be in writing and signed by the Majority Lenders and the Borrower, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided that:

(a) no amendment, waiver, or consent shall, unless in writing and signed by all the Lenders and the Borrower, do any of the following: (i) reduce the principal of, or interest on, the Notes, (ii) postpone or extend any date fixed for any payment of principal of, or interest on, the Notes, including, without limitation, the Maturity Date, or (iii) change the number of Lenders which shall be required for the Lenders to take any action hereunder or under any other Credit Document;

(b) no amendment, waiver, or consent shall, unless in writing and signed by all the Lenders and the Borrower, do any of the following: (i) waive any of the conditions specified in Section 3.1 or Section 3.2, (ii) reduce any fees or other amounts payable hereunder or under any other Credit Document, (iii) increase the aggregate Commitments, (iv) postpone or extend any date fixed for any payment of any fees or other amounts payable hereunder, (v) amend Section 2.12(e), Section 7.6, this Section 10.3 or any other provision in any Credit Document which expressly requires the consent of, or action or waiver by, all of the Lenders, (vii) release all or substantially all of the value of any Guaranty (including, for the avoidance of doubt, Article 9 hereof) or, except as specifically provided in the Credit Documents and as a result of transactions permitted by the terms of this Agreement, release all or a material portion of the Collateral except as permitted under Section 8.10(a); (viii) amend the definitions of "Majority Lenders", "Required Lenders", "Super-Majority Lenders" or "Maximum Exposure Amount", each as defined in this Agreement; or (ix) amend the definitions of "Obligations", "Secured Obligations", "Banking Service Obligations", "Banking Services Provider" or "Swap Counterparties";

(c) no Commitment of a Lender or any obligations of a Lender may be increased or extended without such Lender's written consent;

(d) no amendment, waiver, or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement or any other Credit Document;

(e) no amendment, waiver or consent shall, unless in writing and signed by an Issuing Lender in addition to the Lenders required above to take such action, affect the rights or duties of such Issuing Lender under this Agreement or any other Credit Document;

(f) no amendment, waiver, or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement or any other Credit Document; and

(g) the consent of Required Lenders shall be required with respect to decreases or maintenance of the Borrowing Base.

Section 10.4 Severability. In case one or more provisions of this Agreement or the other Credit Documents shall be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality, and enforceability of the remaining provisions contained herein or therein shall not be affected or impaired thereby.

Section 10.5 Survival of Representations and Obligations. All representations and warranties contained in this Agreement or made in writing by or on behalf of the Credit Parties in connection herewith shall survive the execution and delivery of this Agreement and the other Credit Documents, the making of the Advances or the issuance of any Letters of Credit and any investigation made by or on behalf of the Lenders, none of which investigations shall diminish any Lender's right to rely on such representations and warranties. All obligations of the Borrower or any other Credit Party provided for in Sections 2.10, 2.11, 2.13(c), 10.1 and 10.2 and all of the obligations of the Lenders in Section 10.2(b) shall survive any termination of this Agreement and repayment in full of the Obligations.

Section 10.6 Reserved.

Section 10.7 Binding Effect; Successors and Assigns.

(a) Binding Effect; Successors and Assigns Generally. The provisions of this Agreement will become effective as provided in Section 3.01 and thereafter will 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 Credit Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Advances at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Advances at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Advances outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Advances of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than $5,000,000, unless each of the Administrative Agent and, so long as no Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Advance or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate facilities on a non-pro rata basis.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within 5 Business Days after having received notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments hereunder if such assignment is to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C) the consent of the Issuing Lender shall be required for any assignment hereunder.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of $3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment**.** The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Parent, the Borrower or any of the Parent's or the Borrower's Affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person.

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable Pro Rata Share of Advances previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, the Issuing Lender, and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full Pro Rata Share of all Advances and participations in Letters of Credit in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to paragraph (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, including the obligation to provide the documentation required by Section 2.13(g), and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights

and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.11, 10.1, 10.2, and 10.3 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at its address referred to in Section 10.9 a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Advances owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Credit Parties, the Administrative Agent, the Issuing Lender and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice. Notwithstanding anything to the contrary, any Assignment shall be effective only upon appropriate entries with respect thereto being made in the Register.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person or the Parent, the Borrower or any of the Parent's or Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Advances owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrower, the Administrative Agent, the Issuing Lender and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 10.2(d) with respect to any payments made by such Lender to its Participant(s).

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 10.3(a), (b), or (c) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.10, 2.11 and 2.13 (subject to the requirements and limitations therein, including the requirements under Section 2.13 (it being understood that the documentation required under Section 2.13(g) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 2.14

as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 2.11 or 2.13, 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. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 2.14(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 7.4 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.12(e) as though it were a Lender. Each Lender that sells a participation 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 Advances or other obligations under the Credit Documents (the "Participant Register"); provided that no Lender shall 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, letters of credit or its other obligations under any Credit Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 10.8 Confidentiality. Each of the Administrative Agent, the Lenders and the Issuing Lender agree 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 Credit Document or any action or proceeding relating to this Agreement or any other Credit 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 the Borrower or its Subsidiaries or the facilities or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the 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 Administrative Agent, any Lender, the Issuing Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower.

For purposes of this Section, "Information" means all information received from or on behalf of the Parent (or the Intermediate Holdco, if applicable) or the Borrower relating to the Parent (or the Intermediate Holdco, if applicable), the Borrower or any of their respective Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or the Issuing Lender on a nonconfidential basis prior to disclosure by the Parent or the Borrower. 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 10.9 Notices, Etc.

(a) Subject to clause (b) below, all notices and other communications (other than Notices of Borrowing and Notices of Continuation or Conversion, which are governed by Article 2 of this Agreement) shall be in writing and hand delivered with written receipt, or sent by facsimile or electronic mail, sent by a nationally recognized overnight courier, or sent by certified mail, return receipt requested as follows: if to a Credit Party, as specified on Schedule I, if to the Administrative Agent or the Issuing Lender, at its credit contact specified under its name on Schedule I, and if to any Lender at is credit contact specified in its Administrative Questionnaire. Each party may change its notice address by written notification to the other parties. All such notices and communications shall be effective when delivered, except that notices and communications to any Lender or the Issuing Lender pursuant to Article 2 shall not be effective until received and, in the case of facsimile, such receipt is confirmed by such Lender or Issuing Lender, as applicable, verbally or in writing.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent. The Administrative Agent or the Borrower may, in their 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.

Section 10.10 Usury Not Intended. It is the intent of each Credit Party and each Lender in the execution and performance of this Agreement and the other Credit Documents to contract in strict compliance with applicable usury laws, including conflicts of law concepts, governing the Advances of each Lender including such applicable laws of the State of New York, if any, and the United States of America from time to time in effect. In furtherance thereof, the Lenders and the Credit Parties stipulate and agree that none of the terms and provisions contained in this

Agreement or the other Credit Documents shall ever be construed to create a contract to pay, as consideration for the use, forbearance or detention of money, interest at a rate in excess of the Maximum Rate and that for purposes of this Agreement "interest" shall include the aggregate of all charges which constitute interest under such laws that are contracted for, charged or received under this Agreement; and in the event that, notwithstanding the foregoing, under any circumstances the aggregate amounts taken, reserved, charged, received or paid on the Advances, include amounts which by applicable law are deemed interest which would exceed the Maximum Rate, then such excess shall be deemed to be a mistake and each Lender receiving same shall credit the same on the principal of its Notes (or if such Notes shall have been paid in full, refund said excess to the Borrower). In the event that the maturity of the Notes are accelerated by reason of any election of the holder thereof resulting from any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest may never include more than the Maximum Rate, and excess interest, if any, provided for in this Agreement or otherwise shall be canceled automatically as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited on the applicable Notes (or, if the applicable Notes shall have been paid in full, refunded to the Borrower of such interest). In determining whether or not the interest paid or payable under any specific contingencies exceeds the Maximum Rate, the Credit Parties and the Lenders shall to the maximum extent permitted under applicable law amortize, prorate, allocate and spread in equal parts during the period of the full stated term of the Notes all amounts considered to be interest under applicable law at any time contracted for, charged, received or reserved in connection with the Obligations. The provisions of this Section shall control over all other provisions of this Agreement or the other Credit Documents which may be in apparent conflict herewith.

Section 10.11 Usury Recapture. In the event the rate of interest chargeable under this Agreement at any time is greater than the Maximum Rate, the unpaid principal amount of the Advances shall bear interest at the Maximum Rate until the total amount of interest paid or accrued on the Advances equals the amount of interest which would have been paid or accrued on the Advances if the stated rates of interest set forth in this Agreement had at all times been in effect. In the event, upon payment in full of the Advances, the total amount of interest paid or accrued under the terms of this Agreement and the Advances is less than the total amount of interest which would have been paid or accrued if the rates of interest set forth in this Agreement had, at all times, been in effect, then the Borrower shall, to the extent permitted by applicable law, pay the Administrative Agent for the account of the Lenders an amount equal to the difference between (i) the lesser of (A) the amount of interest which would have been charged on its Advances if the Maximum Rate had, at all times, been in effect and (B) the amount of interest which would have accrued on its Advances if the rates of interest set forth in this Agreement had at all times been in effect and (ii) the amount of interest actually paid under this Agreement on its Advances. In the event the Lenders ever receive, collect or apply as interest any sum in excess of the Maximum Rate, such excess amount shall, to the extent permitted by law, be applied to the reduction of the principal balance of the Advances, and if no such principal is then outstanding, such excess or part thereof remaining shall be paid to the Borrower.

Section 10.12 Governing Law; Service of Process. This Agreement, the Notes and the other Credit Documents (unless otherwise expressly provided therein) shall be deemed a contract under, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to conflicts of laws principles (other than Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York). Each Letter of Credit shall be governed by either (i) the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600, or (ii) the International Standby Practices (ISP98), International Chamber of Commerce Publication No. 590, in either case, including any subsequent revisions thereof approved by a Congress of the International Chamber of Commerce and adhered to by the Issuing Lender. The Borrower hereby agrees that service of copies of the summons and complaint and any other process which may be served in any such action or proceeding may be made by mailing or delivering a copy of such process to the Borrower at the address set forth for the Borrower in this Agreement. Nothing in this Section shall affect the rights of any Lender to serve legal process in any other manner permitted by the law or affect the right of any Lender to bring any action or proceeding against the Borrower or its Property in the courts of any other jurisdiction.

Section 10.13 Submission to Jurisdiction.

(a) The Parent and the Borrower (for themselves and on behalf of each other Credit Party) each irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, the Issuing Lender or any Related Party of the foregoing in any way relating to this Agreement or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent, any Lender, or the Issuing Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

(b) If any action or proceeding is filed in a court of the State of California by or against any party hereto in connection with any of the transactions contemplated by this Agreement or any other Credit Document, (i) the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee (who shall be a single active or retired judge) to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision, provided that at the option of any party to such proceeding, any such issues pertaining to a "provisional remedy" as defined in California Code of Civil Procedure Section 1281.8 shall be heard and determined by the court, and (ii) without limiting the generality of Section 10.1, the Borrower shall be solely responsible to pay all fees and expenses of any referee appointed in such action or proceeding.

Section 10.14 Execution in Counterparts; Effectiveness; Electronic Execution.

(a) This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Except as provided in Section 3.1, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof 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 (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.15 Waiver of Jury Trial. THE PARENT AND THE BORROWER (FOR THEMSELVES AND ON BEHALF OF EACH OTHER CREDIT PARTY), THE LENDERS, THE ISSUING LENDER AND THE ADMINISTRATIVE AGENT HEREBY ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED BY AND HAVE CONSULTED WITH COUNSEL OF THEIR CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER CREDIT DOCUMENT, OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 10.16 USA Patriot Act. Each Lender that is subject to the Patriot Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Credit Party that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies such Credit Party, which information includes the name and address of such Credit Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify such Credit Party in accordance with the Patriot Act.

Section 10.17 Enduring Security. The parties hereto acknowledge and agree that:

(a) it is the parties' intent that the Liens created or intended to be created under the Credit Documents secure, among other things, all obligations of the Credit Parties owing to any Swap Counterparty under any Hedging Arrangement even after such Swap Counterparty ceases to be a Lender or an Affiliate of a Lender hereunder; provided, however, as provided in the definition of "Swap Counterparty", (i) when any Swap Counterparty assigns or otherwise transfers any interest held by it under any Hedging Arrangement to any other Person pursuant to the terms of such agreement, the obligations thereunder shall be secured by such Liens only if such assignee or transferee is also then a Lender or an Affiliate of a Lender and (ii) if a Swap

Counterparty ceases to be a Lender hereunder or an Affiliate of a Lender hereunder, obligations owing to such Swap Counterparty shall be secured by such Liens only to the extent such obligations arise from transactions under such individual Hedging Arrangements (and not the Master Agreement between such parties) entered into prior to the Closing Date or at the time such Swap Counterparty was a Lender hereunder or an Affiliate of a Lender hereunder, without giving effect to any extension, increases, or modifications thereof which are made after such Swap Counterparty ceases to be a Lender hereunder or an Affiliate of a Lender hereunder; and

(b) the Credit Parties' ability to enter into, or otherwise be party to, Hedging Arrangements are limited by the terms under this Agreement, including the limitations in Section 6.15 above which restricts, among other things, the Credit Parties' ability to enter into, or otherwise be party to, secured Hedging Arrangements with counterparties that are not Swap Counterparties or Hedging Arrangements that have margin call requirements applicable to the Borrower or its Subsidiaries.

Section 10.18 Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Credit Party to honor all of its obligations under this Agreement in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 10.18 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 10.18, or otherwise under this Agreement, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until the termination of all Commitments and payment in full of all Secured Obligations (other than contingent indemnification obligations) and the expiration or termination of all Letters of Credit (other than Letters of Credit as to which other arrangements satisfactory to the Administrative Agent and the Issuing Lender have been made). Each Qualified ECP Guarantor intends that this Section 10.18 constitute, and this Section 10.18 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Credit Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

Section 10.19 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent**,** the Lead Arranger and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent**,** the Lead Arranger and the Lenders, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents; (ii) (A) the Administrative Agent**,** the Lead Arranger and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Administrative Agent**,** the Lead Arranger nor any Lender has any obligation to the Borrower or

any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; and (iii) the Administrative Agent**,** the Lead Arranger and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent**,** the Lead Arranger nor any Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent**,** the Lead Arranger or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 10.20 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of 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 Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

Section 10.21 **Integration. THIS WRITTEN AGREEMENT AND THE CREDIT DOCUMENTS, AS DEFINED IN THIS AGREEMENT, REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND SUPERSEDE ALL PRIOR UNDERSTANDINGS AND AGREEMENTS, WHETHER WRITTEN OR ORAL, RELATING TO THE TRANSACTIONS PROVIDED FOR HEREIN AND THEREIN. ADDITIONALLY, THIS AGREEMENT AND THE CREDIT DOCUMENTS MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES**.

IN EXECUTING THIS AGREEMENT, EACH CREDIT PARTY HERETO HEREBY WARRANTS AND REPRESENTS IT IS NOT RELYING ON ANY STATEMENT OR REPRESENTATION OTHER THAN THOSE IN THIS AGREEMENT AND IS RELYING UPON ITS OWN JUDGMENT AND ADVICE OF ITS ATTORNEYS.

[Remainder of this page intentionally left blank. Signature pages follow.]

EXECUTED as of the date first above written.

BORROWER:

BERRY PETROLEUM COMPANY, LLC

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and
Chief Financial Officer

PARENT:

BERRY PETROLEUM CORPORATION

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and
Chief Financial Officer

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

ADMINISTRATIVE AGENT/LENDER:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent, Issuing Lender, and a Lender

By: /s/ Joseph Rottinghaus
Name: Joseph Rottinghaus
Title: Director

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

LENDERS:

BANK OF MONTREAL, as Joint Lead Arranger and a Lender

By: /s/ Matthew Davis
Name: Matthew Davis
Title: Vice President

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

LENDERS:

KEYBANK NATIONAL ASSOCIATION, as
Joint Lead Arranger and a Lender

By: /s/ George E. McKean
Name: George E. McKean
Title: Senior Vice President

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

ABN AMRO Capital USA LCC, as Co-Documentation Agent and a Lender

By: /s/ Elizabeth Johnson
Name: Elizabeth Johnson
Title: Director

By: /s/ R. Bisscheroux
Name: R. Bisscheroux
Title: Director

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

BOKF, NA, as a Lender

By: /s/ Sonja Borodko
Name: Sonja Borodko
Title: Vice President

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Nancy Mak
Name: Nancy Mak
Title: Sr. Vice President

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

CITIZENS BANK, N.A., as a Lender

By: /s/ Scott Donaldson
Name: Scott Donaldson
Title: Senior Vice President

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

Cathay Bank, as a Lender

By: /s/ Dale T Wilson
Name: Dale T Wilson
Title: Senior Vice President

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

ING Capital LLC, as a Lender

By: /s/ Juli Bieser
Name: Juli Bieser
Title: Managing Director

By: /s/ Josh Strong
Name: Josh Strong
Title: Director

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

MORGAN STANLEY BANK, N.A., as a Lender

By: /s/ Michael King
Name: Michael King
Title: Authorized Signatory

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

UBS AG, Stamford Branch, as a Lender

By: /s/ Craig Pearson
Name: Craig Pearson
Title: Associate Director

By: /s/ Darlene Arias
Name: Darlene Arias
Title: Director

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

BP Energy Company, as a Lender

By: /s/ Timothy Yee
Name: Timothy Yee
Title: Attorney-in-Fact

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

GOLDMAN SACHS LENDING PARTNERS LLC, as a Lender

By: /s/ Simon Collier
Name: Simon Collier
Title: Authorized Signatory

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

MACQUARIE BANK LIMITED, as a Lender

By: /s/ John Braham
Name: John Braham
Title: Executive Director

By: /s/ Margot Branson
Name: Margot Branson
Title: Division Director
Legal Risk Management

POA Ref: #2468 dated 7 June 2017 expiring 31 March 2019, signed in Sydney

[SIGNATURE PAGE TO CREDIT AGREEMENT – BERRY PETROLEUM COMPANY, LLC]

SCHEDULE I
Commitments, Contact Information

ADMINISTRATIVE AGENT/ ISSUING LENDER

Wells Fargo Bank, National Association

1700 Lincoln St., 6th Floor
Denver, CO 80203
Attn: Joe Rottinghaus
Telephone:(303) 863-5799
Facsimile: (303) 863-5196
Email: joseph.rottinghaus@wellsfargo.com

CREDIT PARTIES

Borrower/Guarantors

5201 Truxtun Ave., Suite 100
Bakersfield, CA 93309
Attn: Steven B. Wilson
Telephone: (661) 808-1641
Facsimile: (661) 616-3890
Email: sbw@bry.com

Lender	Commitment	Pro Rata Share
Wells Fargo Bank, National Association	$ 225,000,000.00	15.000000000000%
Bank of Montreal	$ 180,000,000.00	12.000000000000%
KeyBank National Association	$ 180,000,000.00	12.000000000000%
ABN AMRO Capital USA LLC	$ 180,000,000.00	12.000000000000%
BOKF, NA	$ 133,200,000.00	8.880000000000%
Capital One, National Association	$ 133,200,000.00	8.880000000000%
Citizens Bank, N.A.	$ 133,200,000.00	8.880000000000%
Cathay Bank	$ 77,700,000.00	5.180000000000%
ING Capital LLC	$ 77,700,000.00	5.180000000000%
Morgan Stanley Bank, N.A.	$ 77,700,000.00	5.180000000000%
UBS AG, Stamford Branch	$ 77,700,000.00	5.180000000000%
BP Energy Company	$ 10,800,000.00	0.720000000000%
Goldman Sachs Lending Partners LLC	$ 10,800,000.00	0.720000000000%
Macquarie Bank Limited	$ 3,000,000.00	0.200000000000%
Total:	**$1,500,000,000.00**	**100%**

SCHEDULE II
PRICING GRID

Applicable Margins

Utilization Level*	Base Rate Advances	Eurodollar Advances	Commitment Fee Rate
Level I	1.50%	2.50%	0.50%
Level II	1.75%	2.75%	0.50%
Level III	2.00%	3.00%	0.50%
Level IV	2.25%	3.25%	0.50%
Level V	2.50%	3.50%	0.50%

* Utilization Levels are described below and are determined in accordance with the definition of "Utilization Level".

1. **Level I:** If the Utilization Level is less than 25%.
2. **Level II:** If the Utilization Level is greater than or equal to 25% but less than 50%.
3. **Level III:** If the Utilization Level is greater than or equal to 50% but less than 75%.
4. **Level IV:** If the Utilization Level is greater than or equal to 75% but less than 90%.
5. **Level V:** If the Utilization Level is greater than or equal to 90%.

Schedule III

Additional Conditions and Requirements for New Subsidiaries

Within five Business Days after the creation of a new Restricted Subsidiary or acquisition of a new Restricted Subsidiary by any Credit Party (or such longer time period as may be accepted by the Administrative Agent in its sole discretion), the Administrative Agent shall have received each of the following with respect to such Restricted Subsidiary:

(a) Guaranty. A joinder and supplement to the Guaranty executed by such Restricted Subsidiary;

(a) Security Agreement. A joinder and supplement to the Security Agreement executed by such Restricted Subsidiary, in any event, together with UCC-1 financing statements and any other documents, agreements, or instruments necessary to create and perfect an Acceptable Security Interest in the Collateral described in the Security Agreement, as so supplemented;

(b) Mortgages. If such Restricted Subsidiary owns any Oil and Gas Properties required to be pledged as Collateral, a fully executed Mortgage covering such Oil and Gas Properties, and such evidence of corporate authority to enter into such Guaranty, Security Agreement, and Mortgage as the Administrative Agent may reasonably request together with;

(c) Flood Insurance. To the extent any Collateral subject to a Mortgage is subject to the provisions of the Flood Insurance Regulations, (i) concurrently with the delivery of the Mortgage in favor of the Administrative Agent in connection therewith, a standard flood hazard determination form for such Collateral and (ii) if any such Collateral is located in an area designated a “flood hazard area” in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), evidence of flood insurance in such amount as the Administrative Agent may from time to time reasonably require to ensure compliance with the Flood Insurance Regulations;

(d) Pledges. A pledge agreement (or supplement to an existing pledge agreement) executed by the equity holders of such Restricted Subsidiary pledging 100% of the Equity Interest owned by such equity holder of such Restricted Subsidiary and such evidence of corporate, limited liability company or partnership authority to enter into such pledge agreement or supplement, as applicable, as the Administrative Agent may reasonably request, along with share certificates pledged thereby and appropriately executed stock powers in blank, if applicable;

(e) Corporate Documents. A secretary’s certificate from such new Restricted Subsidiary certifying such Restricted Subsidiary’s (i) officers’ incumbency, (ii) authorizing resolutions, (iii) organizational documents, (iv) governmental approvals, if any, with respect to the Credit Documents to which such Person is a party and (v) certificate of good standing in such Restricted Subsidiary’s state of organization dated a date not earlier than 30 days prior to date of delivery or otherwise in effect on the date of delivery;

(f) Patriot Act. All documentation and other information that is required by regulatory authorities under applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Patriot Act; and

(g) Opinion of Counsel. If reasonably requested by the Administrative Agent, an opinion of counsel in form and substance reasonably acceptable to the Administrative Agent related to such new Restricted Subsidiary and substantially similar to the legal opinion delivered at the Closing Date with respect to the other Restricted Subsidiaries in existence on the Closing Date.

Schedule III

SCHEDULE 1.1

Existing Letters of Credit

Standby Letter of Credit # IS0026125U, in the amount of $6,000,000 issued by Wells Fargo Bank, N.A., to Department of Fish and Wildlife, as beneficiary, with an expiry date of March 20, 2018

Standby Letter of Credit # IS0296691U, in the amount of $50,000 issued by Wells Fargo Bank, N.A., to San Joaquin Valley Air Pollution Control District, as beneficiary, with an expiry date of May 14, 2018

Standby Letter of Credit # IS0333051U, in the amount of $50,000 issued by Wells Fargo Bank, N.A., to San Joaquin Valley Air Pollution Control District, as beneficiary, with an expiry date of August 24, 2017

Standby Letter of Credit # NZS639529, in the amount of $315,255.62 issued by Wells Fargo Bank, N.A., to Southern California Gas Company, as beneficiary, with an expiry date of September 6, 2018

SCHEDULE 4.1

Organizational Information

Name of Credit Party	Type of Organization	Jurisdiction of Formation	Principal Place of Business and chief executive office	Proven Reserves
Berry Petroleum Company, LLC	Limited Liability Company	Delaware	5201 Truxton Ave. Suite 100 Bakersfield, CA 93309	California Kern County Los Angeles County Colorado Garfield County Kansas Finney County Grant County Hamilton County Haskell County Kearny County Morton County Seward County Stanton County Stevens County Texas Cooke County Harrison County Limestone County Oklahoma Texas County
Berry Petroleum Corporation	Corporation	Delaware	5201 Truxton Ave. Suite 100 Bakersfield, CA 93309	None.

SCHEDULE 4.7

Litigation

1. In re: LINN ENERGY, LLC, et al. Case No. 16-60040 (DRJ) in the United States Bankruptcy Court for the Southern District of Texas

   Default interest: This litigation is before the Bankruptcy Court and it arose from a claim by the prepetition Berry secured lenders for payment of interest during the pendency of the bankruptcy case at a default rate as opposed to a note rate. Under the confirmed plan, the lenders are entitled to be paid in full in conformance with the terms and conditions of the prepetition notes. The matter was presented by form of motion to the court shortly after the February 28, 2017 effective date and it was tried to the court on April 27, 2017. It is currently under advisement and the parties await a ruling from the court. The amount in dispute is $14 million plus interest.

   Claims litigation: In connection with the bankruptcy case, creditors were entitled to file proofs of claims with respect to their prepetition debts. Under the confirmed plan, these claims are entitled to a pro-rata distribution of either cash or shares of stock in the reorganized debtor. Any cash distributions will be paid out of a funded distribution pool of $35 million held by the debtor. The debtor has filed and will continue to file claims objections with respect to various claims including but not limited to trade, royalty, tax, and contract rejection claims. While successful claims litigation may result in a potential return of some funds in the claim pool to the Debtor, there will not be any negative economic impact to the debtor from any such litigation.

2. *WildEarth Guardians v. U.S. Forest Service, et al.*, Case No. 2:14-cv-00349-DN in the U.S. District Court for the District of Utah. Berry has joined the United States Forest Service as a defendant in a suit regarding permitting matters. Plaintiffs have alleged that the United States Forest Service improperly granted oil & gas extraction permits in the South Unit of the Ashley National Forest in the state of Utah, including Berry's permits in the South Unit.

SCHEDULE 4.10

Environmental Condition

(b) None.

(c) None.

SCHEDULE 4.11

Subsidiaries, Partnerships, and Joint Ventures

Borrower owns 37.5% of the outstanding membership interests in Lake Canyon Transportation and Gathering, LLC, a Utah limited liability company.

SCHEDULE 4.13

Taxes

None.

SCHEDULE 4.16

Material Real Property and Structures

Mortgaged Structures

	Property Identifier	Property Address	Interest	Jurisdiction	Mortgagor/ Owner
1	Cogen Facility 18	29063 Hwy 33, Maricopa, California 93252	Fee	Kern County, CA	Berry Petroleum Company
2	Cogen Facility 38	28601 Hovey Hills Road, Taft, California 93268	Fee	Kern County, CA	Berry Petroleum Company
3	Cogen Facility 42	25121 Sierra Highway, Newhall, California 91321	Fee	Los Angeles County, CA	Berry Petroleum Company
4	To-Be-Constructed Cogen Facility #1	Located on Union Pacific Owned Land, McKittrick, California 93251	Fee	Kern County, CA	Berry Petroleum Company
5	To-Be-Constructed Cogen Facility #2	Located on Mineral Fee Property, Derby Acres, California 93224	Fee	Kern County, CA	Berry Petroleum Company

SCHEDULE 4.21

Gas Contracts

Contract Type	Counterparty	Entity	Date	Balancing Contract?
NAESB	Cima Energy Ltd.	Berry Petroleum Company, LLC	3/7/2017	No
Operational Balancing Agreement	Kern River Gas Transmission Co.	Berry Petroleum Company, LLC	3/1/2011	Yes
Operational Balancing Agreement	Kern River Gas Transmission Co.	Berry Petroleum Company, LLC	3/1/2013	Yes
Operational Balancing Agreement	Mojave Pipeline Company, L.L.C.	Berry Petroleum Company, LLC	3/1/2011	Yes
Operational Balancing Agreement	Mojave Pipeline Company, L.L.C.	Berry Petroleum Company, LLC	5/1/2013	Yes
Operational Balancing Agreement	Questar Pipeline Company	Berry Petroleum Company, LLC	10/1/2003	Yes

Berry Petroleum
Schedule 4.23 to Credit Agreement
Hedge Contracts Details
unsettled as of July 31, 2017

new contracts traded 7/28/2017
new contracts traded 7/12/2017

trade id (contract #)	trade date	payment date	first fixing date	last fixing date	underlying	trade type	position	units	price	counterparty	start date	end date
64636773	16-Feb-17	7-Aug-17	3-Jul-17	31-Jul-17	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Jul-17	31-Jul-17
64636773	16-Feb-17	7-Aug-17	3-Jul-17	31-Jul-17	NYMEX WTI	Basis Swap	62,000	bbl	1.33	Macquarie	1-Jul-17	31-Jul-17
64636774	16-Feb-17	8-Sep-17	1-Aug-17	31-Aug-17	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Aug-17	31-Aug-17
64636774	16-Feb-17	8-Sep-17	1-Aug-17	31-Aug-17	NYMEX WTI	Basis Swap	62,000	bbl	1.33	Macquarie	1-Aug-17	31-Aug-17
64636775	16-Feb-17	6-Oct-17	1-Sep-17	29-Sep-17	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Sep-17	30-Sep-17
64636775	16-Feb-17	6-Oct-17	1-Sep-17	29-Sep-17	NYMEX WTI	Basis Swap	60,000	bbl	1.33	Macquarie	1-Sep-17	30-Sep-17
64636776	16-Feb-17	7-Nov-17	2-Oct-17	31-Oct-17	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Oct-17	31-Oct-17
64636776	16-Feb-17	7-Nov-17	2-Oct-17	31-Oct-17	NYMEX WTI	Basis Swap	62,000	bbl	1.33	Macquarie	1-Oct-17	31-Oct-17
64636777	16-Feb-17	7-Dec-17	1-Nov-17	30-Nov-17	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Nov-17	30-Nov-17
64636777	16-Feb-17	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Basis Swap	60,000	bbl	1.33	Macquarie	1-Nov-17	30-Nov-17
64636778	16-Feb-17	8-Jan-18	1-Dec-17	29-Dec-17	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Dec-17	31-Dec-17
64636778	16-Feb-17	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Basis Swap	62,000	bbl	1.33	Macquarie	1-Dec-17	31-Dec-17
64636779	16-Feb-17	7-Feb-18	2-Jan-18	31-Jan-18	IPE Brent	Basis Swap	-31,000	bbl		Macquarie	1-Jan-18	31-Jan-18
64636779	16-Feb-17	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Basis Swap	31,000	bbl	1.33	Macquarie	1-Jan-18	31-Jan-18
64636780	16-Feb-17	7-Mar-18	1-Feb-18	28-Feb-18	IPE Brent	Basis Swap	-28,000	bbl		Macquarie	1-Feb-18	28-Feb-18
64636780	16-Feb-17	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Basis Swap	28,000	bbl	1.33	Macquarie	1-Feb-18	28-Feb-18
64636781	16-Feb-17	5-Apr-18	1-Mar-18	29-Mar-18	IPE Brent	Basis Swap	-31,000	bbl		Macquarie	1-Mar-18	31-Mar-18
64636781	16-Feb-17	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Basis Swap	31,000	bbl	1.33	Macquarie	1-Mar-18	31-Mar-18
64636782	16-Feb-17	7-May-18	2-Apr-18	30-Apr-18	IPE Brent	Basis Swap	-30,000	bbl		Macquarie	1-Apr-18	30-Apr-18
64636782	16-Feb-17	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Basis Swap	30,000	bbl	1.33	Macquarie	1-Apr-18	30-Apr-18
64636783	16-Feb-17	7-Jun-18	1-May-18	31-May-18	IPE Brent	Basis Swap	-31,000	bbl		Macquarie	1-May-18	31-May-18
64636783	16-Feb-17	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Basis Swap	31,000	bbl	1.33	Macquarie	1-May-18	31-May-18
64636784	16-Feb-17	9-Jul-18	1-Jun-18	29-Jun-18	IPE Brent	Basis Swap	-30,000	bbl		Macquarie	1-Jun-18	30-Jun-18
64636784	16-Feb-17	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Basis Swap	30,000	bbl	1.33	Macquarie	1-Jun-18	30-Jun-18
64636785	16-Feb-17	7-Aug-18	2-Jul-18	31-Jul-18	IPE Brent	Basis Swap	-31,000	bbl		Macquarie	1-Jul-18	31-Jul-18
64636785	16-Feb-17	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Basis Swap	31,000	bbl	1.33	Macquarie	1-Jul-18	31-Jul-18
64636786	16-Feb-17	10-Sep-18	1-Aug-18	31-Aug-18	IPE Brent	Basis Swap	-31,000	bbl		Macquarie	1-Aug-18	31-Aug-18
64636786	16-Feb-17	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Basis Swap	31,000	bbl	1.33	Macquarie	1-Aug-18	31-Aug-18
64636787	16-Feb-17	5-Oct-18	3-Sep-18	28-Sep-18	IPE Brent	Basis Swap	-30,000	bbl		Macquarie	1-Sep-18	30-Sep-18
64636787	16-Feb-17	5-Oct-18	3-Sep-18	28-Sep-18	NYMEX WTI	Basis Swap	30,000	bbl	1.33	Macquarie	1-Sep-18	30-Sep-18
64636788	16-Feb-17	7-Nov-18	1-Oct-18	31-Oct-18	IPE Brent	Basis Swap	-31,000	bbl		Macquarie	1-Oct-18	31-Oct-18
64636788	16-Feb-17	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Basis Swap	31,000	bbl	1.33	Macquarie	1-Oct-18	31-Oct-18
64636789	16-Feb-17	7-Dec-18	1-Nov-18	30-Nov-18	IPE Brent	Basis Swap	-30,000	bbl		Macquarie	1-Nov-18	30-Nov-18
64636789	16-Feb-17	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Basis Swap	30,000	bbl	1.33	Macquarie	1-Nov-18	30-Nov-18
64636790	16-Feb-17	8-Jan-19	3-Dec-18	31-Dec-18	IPE Brent	Basis Swap	-31,000	bbl		Macquarie	1-Dec-18	31-Dec-18
64636790	16-Feb-17	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Basis Swap	31,000	bbl	1.33	Macquarie	1-Dec-18	31-Dec-18
64636791	16-Feb-17	7-Feb-19	2-Jan-19	31-Jan-19	IPE Brent	Basis Swap	-15,500	bbl		Macquarie	1-Jan-19	31-Jan-19
64636791	16-Feb-17	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Basis Swap	15,500	bbl	1.33	Macquarie	1-Jan-19	31-Jan-19
64636792	16-Feb-17	7-Mar-19	1-Feb-19	28-Feb-19	IPE Brent	Basis Swap	-14,000	bbl		Macquarie	1-Feb-19	28-Feb-19
64636792	16-Feb-17	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Basis Swap	14,000	bbl	1.33	Macquarie	1-Feb-19	28-Feb-19
64636793	16-Feb-17	5-Apr-19	1-Mar-19	29-Mar-19	IPE Brent	Basis Swap	-15,500	bbl		Macquarie	1-Mar-19	31-Mar-19
64636793	16-Feb-17	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Basis Swap	15,500	bbl	1.33	Macquarie	1-Mar-19	31-Mar-19
64636794	16-Feb-17	7-May-19	1-Apr-19	30-Apr-19	IPE Brent	Basis Swap	-15,000	bbl		Macquarie	1-Apr-19	30-Apr-19
64636794	16-Feb-17	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Basis Swap	15,000	bbl	1.33	Macquarie	1-Apr-19	30-Apr-19
64636795	16-Feb-17	7-Jun-19	1-May-19	31-May-19	IPE Brent	Basis Swap	-15,500	bbl		Macquarie	1-May-19	31-May-19
64636795	16-Feb-17	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Basis Swap	15,500	bbl	1.33	Macquarie	1-May-19	31-May-19
64636796	16-Feb-17	8-Jul-19	3-Jun-19	28-Jun-19	IPE Brent	Basis Swap	-15,000	bbl		Macquarie	1-Jun-19	30-Jun-19
64636796	16-Feb-17	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Basis Swap	15,000	bbl	1.33	Macquarie	1-Jun-19	30-Jun-19
64636797	16-Feb-17	7-Aug-19	1-Jul-19	31-Jul-19	IPE Brent	Basis Swap	-15,500	bbl		Macquarie	1-Jul-19	31-Jul-19
64636797	16-Feb-17	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Basis Swap	15,500	bbl	1.33	Macquarie	1-Jul-19	31-Jul-19
64636798	16-Feb-17	9-Sep-19	1-Aug-19	30-Aug-19	IPE Brent	Basis Swap	-15,500	bbl		Macquarie	1-Aug-19	31-Aug-19
64636798	16-Feb-17	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Basis Swap	15,500	bbl	1.33	Macquarie	1-Aug-19	31-Aug-19
64636799	16-Feb-17	7-Oct-19	2-Sep-19	30-Sep-19	IPE Brent	Basis Swap	-15,000	bbl		Macquarie	1-Sep-19	30-Sep-19
64636799	16-Feb-17	7-Oct-19	2-Sep-19	30-Sep-19	NYMEX WTI	Basis Swap	15,000	bbl	1.33	Macquarie	1-Sep-19	30-Sep-19
64636800	16-Feb-17	7-Nov-19	1-Oct-19	31-Oct-19	IPE Brent	Basis Swap	-15,500	bbl		Macquarie	1-Oct-19	31-Oct-19
64636800	16-Feb-17	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Basis Swap	15,500	bbl	1.33	Macquarie	1-Oct-19	31-Oct-19
64636801	16-Feb-17	6-Dec-19	1-Nov-19	29-Nov-19	IPE Brent	Basis Swap	-15,000	bbl		Macquarie	1-Nov-19	30-Nov-19
64636801	16-Feb-17	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Basis Swap	15,000	bbl	1.33	Macquarie	1-Nov-19	30-Nov-19
64636802	16-Feb-17	8-Jan-20	2-Dec-19	31-Dec-19	IPE Brent	Basis Swap	-15,500	bbl		Macquarie	1-Dec-19	31-Dec-19
64636802	16-Feb-17	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Basis Swap	15,500	bbl	1.33	Macquarie	1-Dec-19	31-Dec-19
64636807	15-Feb-17	7-Aug-17	3-Jul-17	31-Jul-17	IPE Brent	Basis Swap	-62,000	bbl		Capital One	1-Jul-17	31-Jul-17
64636807	15-Feb-17	7-Aug-17	3-Jul-17	31-Jul-17	NYMEX WTI	Basis Swap	62,000	bbl	1.29	Capital One	1-Jul-17	31-Jul-17
64636808	15-Feb-17	8-Sep-17	1-Aug-17	31-Aug-17	IPE Brent	Basis Swap	-62,000	bbl		Capital One	1-Aug-17	31-Aug-17
64636808	15-Feb-17	8-Sep-17	1-Aug-17	31-Aug-17	NYMEX WTI	Basis Swap	62,000	bbl	1.29	Capital One	1-Aug-17	31-Aug-17
64636809	15-Feb-17	6-Oct-17	1-Sep-17	29-Sep-17	IPE Brent	Basis Swap	-60,000	bbl		Capital One	1-Sep-17	30-Sep-17
64636809	15-Feb-17	6-Oct-17	1-Sep-17	29-Sep-17	NYMEX WTI	Basis Swap	60,000	bbl	1.29	Capital One	1-Sep-17	30-Sep-17
64636810	15-Feb-17	7-Nov-17	2-Oct-17	31-Oct-17	IPE Brent	Basis Swap	-62,000	bbl		Capital One	1-Oct-17	31-Oct-17
64636810	15-Feb-17	7-Nov-17	2-Oct-17	31-Oct-17	NYMEX WTI	Basis Swap	62,000	bbl	1.29	Capital One	1-Oct-17	31-Oct-17
64636811	15-Feb-17	7-Dec-17	1-Nov-17	30-Nov-17	IPE Brent	Basis Swap	-60,000	bbl		Capital One	1-Nov-17	30-Nov-17
64636811	15-Feb-17	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Basis Swap	60,000	bbl	1.29	Capital One	1-Nov-17	30-Nov-17

new contracts traded 7/12/2017

trade id (contract #)	trade date	payment date	first fixing date	last fixing date	underlying	trade type	position	units	price	counterparty	start date	end date
64636812	15-Feb-17	8-Jan-18	1-Dec-17	29-Dec-17	IPE Brent	Basis Swap	-62,000	bbl		Capital One	1-Dec-17	31-Dec-17
64636812	15-Feb-17	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Basis Swap	62,000	bbl	1.29	Capital One	1-Dec-17	31-Dec-17
64636813	15-Feb-17	7-Feb-18	2-Jan-18	31-Jan-18	IPE Brent	Basis Swap	-31,000	bbl		Capital One	1-Jan-18	31-Jan-18
64636813	15-Feb-17	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Basis Swap	31,000	bbl	1.29	Capital One	1-Jan-18	31-Jan-18
64636814	15-Feb-17	7-Mar-18	1-Feb-18	28-Feb-18	IPE Brent	Basis Swap	-28,000	bbl		Capital One	1-Feb-18	28-Feb-18
64636814	15-Feb-17	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Basis Swap	28,000	bbl	1.29	Capital One	1-Feb-18	28-Feb-18
64636815	15-Feb-17	5-Apr-18	1-Mar-18	29-Mar-18	IPE Brent	Basis Swap	-31,000	bbl		Capital One	1-Mar-18	31-Mar-18
64636815	15-Feb-17	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Basis Swap	31,000	bbl	1.29	Capital One	1-Mar-18	31-Mar-18
64636816	15-Feb-17	7-May-18	2-Apr-18	30-Apr-18	IPE Brent	Basis Swap	-30,000	bbl		Capital One	1-Apr-18	30-Apr-18
64636816	15-Feb-17	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Basis Swap	30,000	bbl	1.29	Capital One	1-Apr-18	30-Apr-18
64636817	15-Feb-17	7-Jun-18	1-May-18	31-May-18	IPE Brent	Basis Swap	-31,000	bbl		Capital One	1-May-18	31-May-18
64636817	15-Feb-17	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Basis Swap	31,000	bbl	1.29	Capital One	1-May-18	31-May-18
64636818	15-Feb-17	9-Jul-18	1-Jun-18	29-Jun-18	IPE Brent	Basis Swap	-30,000	bbl		Capital One	1-Jun-18	30-Jun-18
64636818	15-Feb-17	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Basis Swap	30,000	bbl	1.29	Capital One	1-Jun-18	30-Jun-18
64636819	15-Feb-17	7-Aug-18	2-Jul-18	31-Jul-18	IPE Brent	Basis Swap	-31,000	bbl		Capital One	1-Jul-18	31-Jul-18
64636819	15-Feb-17	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Basis Swap	31,000	bbl	1.29	Capital One	1-Jul-18	31-Jul-18
64636820	15-Feb-17	10-Sep-18	1-Aug-18	31-Aug-18	IPE Brent	Basis Swap	-31,000	bbl		Capital One	1-Aug-18	31-Aug-18
64636820	15-Feb-17	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Basis Swap	31,000	bbl	1.29	Capital One	1-Aug-18	31-Aug-18
64636821	15-Feb-17	5-Oct-18	3-Sep-18	28-Sep-18	IPE Brent	Basis Swap	-30,000	bbl		Capital One	1-Sep-18	30-Sep-18
64636821	15-Feb-17	5-Oct-18	3-Sep-18	28-Sep-18	NYMEX WTI	Basis Swap	30,000	bbl	1.29	Capital One	1-Sep-18	30-Sep-18
64636822	15-Feb-17	7-Nov-18	1-Oct-18	31-Oct-18	IPE Brent	Basis Swap	-31,000	bbl		Capital One	1-Oct-18	31-Oct-18
64636822	15-Feb-17	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Basis Swap	31,000	bbl	1.29	Capital One	1-Oct-18	31-Oct-18
64636823	15-Feb-17	7-Dec-18	1-Nov-18	30-Nov-18	IPE Brent	Basis Swap	-30,000	bbl		Capital One	1-Nov-18	30-Nov-18
64636823	15-Feb-17	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Basis Swap	30,000	bbl	1.29	Capital One	1-Nov-18	30-Nov-18
64636824	15-Feb-17	8-Jan-19	3-Dec-18	31-Dec-18	IPE Brent	Basis Swap	-31,000	bbl		Capital One	1-Dec-18	31-Dec-18
64636824	15-Feb-17	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Basis Swap	31,000	bbl	1.29	Capital One	1-Dec-18	31-Dec-18
64636825	15-Feb-17	7-Feb-19	2-Jan-19	31-Jan-19	IPE Brent	Basis Swap	-15,500	bbl		Capital One	1-Jan-19	31-Jan-19
64636825	15-Feb-17	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Basis Swap	15,500	bbl	1.29	Capital One	1-Jan-19	31-Jan-19
64636826	15-Feb-17	7-Mar-19	1-Feb-19	28-Feb-19	IPE Brent	Basis Swap	-14,000	bbl		Capital One	1-Feb-19	28-Feb-19
64636826	15-Feb-17	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Basis Swap	14,000	bbl	1.29	Capital One	1-Feb-19	28-Feb-19
64636827	15-Feb-17	5-Apr-19	1-Mar-19	29-Mar-19	IPE Brent	Basis Swap	-15,500	bbl		Capital One	1-Mar-19	31-Mar-19
64636827	15-Feb-17	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Basis Swap	15,500	bbl	1.29	Capital One	1-Mar-19	31-Mar-19
64636828	15-Feb-17	7-May-19	1-Apr-19	30-Apr-19	IPE Brent	Basis Swap	-15,000	bbl		Capital One	1-Apr-19	30-Apr-19
64636828	15-Feb-17	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Basis Swap	15,000	bbl	1.29	Capital One	1-Apr-19	30-Apr-19
64636829	15-Feb-17	7-Jun-19	1-May-19	31-May-19	IPE Brent	Basis Swap	-15,500	bbl		Capital One	1-May-19	31-May-19
64636829	15-Feb-17	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Basis Swap	15,500	bbl	1.29	Capital One	1-May-19	31-May-19
64636830	15-Feb-17	8-Jul-19	3-Jun-19	28-Jun-19	IPE Brent	Basis Swap	-15,000	bbl		Capital One	1-Jun-19	30-Jun-19
64636830	15-Feb-17	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Basis Swap	15,000	bbl	1.29	Capital One	1-Jun-19	30-Jun-19
64636831	15-Feb-17	7-Aug-19	1-Jul-19	31-Jul-19	IPE Brent	Basis Swap	-15,500	bbl		Capital One	1-Jul-19	31-Jul-19
64636831	15-Feb-17	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Basis Swap	15,500	bbl	1.29	Capital One	1-Jul-19	31-Jul-19
64636832	15-Feb-17	9-Sep-19	1-Aug-19	30-Aug-19	IPE Brent	Basis Swap	-15,500	bbl		Capital One	1-Aug-19	31-Aug-19
64636832	15-Feb-17	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Basis Swap	15,500	bbl	1.29	Capital One	1-Aug-19	31-Aug-19
64636833	15-Feb-17	7-Oct-19	2-Sep-19	30-Sep-19	IPE Brent	Basis Swap	-15,000	bbl		Capital One	1-Sep-19	30-Sep-19
64636833	15-Feb-17	7-Oct-19	2-Sep-19	30-Sep-19	NYMEX WTI	Basis Swap	15,000	bbl	1.29	Capital One	1-Sep-19	30-Sep-19
64636834	15-Feb-17	7-Nov-19	1-Oct-19	31-Oct-19	IPE Brent	Basis Swap	-15,500	bbl		Capital One	1-Oct-19	31-Oct-19
64636834	15-Feb-17	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Basis Swap	15,500	bbl	1.29	Capital One	1-Oct-19	31-Oct-19
64636835	15-Feb-17	6-Dec-19	1-Nov-19	29-Nov-19	IPE Brent	Basis Swap	-15,000	bbl		Capital One	1-Nov-19	30-Nov-19
64636835	15-Feb-17	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Basis Swap	15,000	bbl	1.29	Capital One	1-Nov-19	30-Nov-19
64636836	15-Feb-17	8-Jan-20	2-Dec-19	31-Dec-19	IPE Brent	Basis Swap	-15,500	bbl		Capital One	1-Dec-19	31-Dec-19
64636836	15-Feb-17	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Basis Swap	15,500	bbl	1.29	Capital One	1-Dec-19	31-Dec-19
64636847	21-Feb-17	7-Aug-17	3-Jul-17	31-Jul-17	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Jul-17	31-Jul-17
64636847	21-Feb-17	7-Aug-17	3-Jul-17	31-Jul-17	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Jul-17	31-Jul-17
64636848	21-Feb-17	8-Sep-17	1-Aug-17	31-Aug-17	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Aug-17	31-Aug-17
64636848	21-Feb-17	8-Sep-17	1-Aug-17	31-Aug-17	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Aug-17	31-Aug-17
64636849	21-Feb-17	6-Oct-17	1-Sep-17	29-Sep-17	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Sep-17	30-Sep-17
64636849	21-Feb-17	6-Oct-17	1-Sep-17	29-Sep-17	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Sep-17	30-Sep-17
64636850	21-Feb-17	7-Nov-17	2-Oct-17	31-Oct-17	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Oct-17	31-Oct-17
64636850	21-Feb-17	7-Nov-17	2-Oct-17	31-Oct-17	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Oct-17	31-Oct-17
64636851	21-Feb-17	7-Dec-17	1-Nov-17	30-Nov-17	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Nov-17	30-Nov-17
64636851	21-Feb-17	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Nov-17	30-Nov-17
64636852	21-Feb-17	8-Jan-18	1-Dec-17	29-Dec-17	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Dec-17	31-Dec-17
64636852	21-Feb-17	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Dec-17	31-Dec-17
64636853	21-Feb-17	7-Feb-18	2-Jan-18	31-Jan-18	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Jan-18	31-Jan-18
64636853	21-Feb-17	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Jan-18	31-Jan-18
64636854	21-Feb-17	7-Mar-18	1-Feb-18	28-Feb-18	IPE Brent	Basis Swap	-56,000	bbl		Macquarie	1-Feb-18	28-Feb-18
64636854	21-Feb-17	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Basis Swap	56,000	bbl	1.1	Macquarie	1-Feb-18	28-Feb-18
64636855	21-Feb-17	5-Apr-18	1-Mar-18	29-Mar-18	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Mar-18	31-Mar-18
64636855	21-Feb-17	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Mar-18	31-Mar-18
64636856	21-Feb-17	7-May-18	2-Apr-18	30-Apr-18	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Apr-18	30-Apr-18
64636856	21-Feb-17	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Apr-18	30-Apr-18
64636857	21-Feb-17	7-Jun-18	1-May-18	31-May-18	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-May-18	31-May-18
64636857	21-Feb-17	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-May-18	31-May-18
64636860	21-Feb-17	9-Jul-18	1-Jun-18	29-Jun-18	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Jun-18	30-Jun-18
64636860	21-Feb-17	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Jun-18	30-Jun-18
64636861	21-Feb-17	7-Aug-18	2-Jul-18	31-Jul-18	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Jul-18	31-Jul-18

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trade id (contract #)	trade date	payment date	first fixing date	last fixing date	underlying	trade type	position	units	price	counterparty	start date	end date
64636861	21-Feb-17	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Jul-18	31-Jul-18
64636862	21-Feb-17	10-Sep-18	1-Aug-18	31-Aug-18	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Aug-18	31-Aug-18
64636862	21-Feb-17	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Aug-18	31-Aug-18
64636863	21-Feb-17	5-Oct-18	3-Sep-18	28-Sep-18	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Sep-18	30-Sep-18
64636863	21-Feb-17	5-Oct-18	3-Sep-18	28-Sep-18	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Sep-18	30-Sep-18
64636864	21-Feb-17	7-Nov-18	1-Oct-18	31-Oct-18	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Oct-18	31-Oct-18
64636864	21-Feb-17	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Oct-18	31-Oct-18
64636867	21-Feb-17	7-Dec-18	1-Nov-18	30-Nov-18	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Nov-18	30-Nov-18
64636867	21-Feb-17	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Nov-18	30-Nov-18
64636868	21-Feb-17	8-Jan-19	3-Dec-18	31-Dec-18	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Dec-18	31-Dec-18
64636868	21-Feb-17	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Dec-18	31-Dec-18
64636869	21-Feb-17	7-Feb-19	2-Jan-19	31-Jan-19	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Jan-19	31-Jan-19
64636869	21-Feb-17	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Jan-19	31-Jan-19
64636870	21-Feb-17	7-Mar-19	1-Feb-19	28-Feb-19	IPE Brent	Basis Swap	-56,000	bbl		Macquarie	1-Feb-19	28-Feb-19
64636870	21-Feb-17	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Basis Swap	56,000	bbl	1.1	Macquarie	1-Feb-19	28-Feb-19
64636871	21-Feb-17	5-Apr-19	1-Mar-19	29-Mar-19	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Mar-19	31-Mar-19
64636871	21-Feb-17	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Mar-19	31-Mar-19
64636872	21-Feb-17	7-May-19	1-Apr-19	30-Apr-19	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Apr-19	30-Apr-19
64636872	21-Feb-17	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Apr-19	30-Apr-19
64636875	21-Feb-17	7-Jun-19	1-May-19	31-May-19	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-May-19	31-May-19
64636875	21-Feb-17	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-May-19	31-May-19
64636876	21-Feb-17	8-Jul-19	3-Jun-19	28-Jun-19	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Jun-19	30-Jun-19
64636876	21-Feb-17	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Jun-19	30-Jun-19
64636877	21-Feb-17	7-Aug-19	1-Jul-19	31-Jul-19	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Jul-19	31-Jul-19
64636877	21-Feb-17	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Jul-19	31-Jul-19
64636878	21-Feb-17	9-Sep-19	1-Aug-19	30-Aug-19	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Aug-19	31-Aug-19
64636878	21-Feb-17	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Aug-19	31-Aug-19
64636879	21-Feb-17	7-Oct-19	2-Sep-19	30-Sep-19	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Sep-19	30-Sep-19
64636879	21-Feb-17	7-Oct-19	2-Sep-19	30-Sep-19	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Sep-19	30-Sep-19
64636882	21-Feb-17	7-Nov-19	1-Oct-19	31-Oct-19	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Oct-19	31-Oct-19
64636882	21-Feb-17	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Oct-19	31-Oct-19
64636883	21-Feb-17	6-Dec-19	1-Nov-19	29-Nov-19	IPE Brent	Basis Swap	-60,000	bbl		Macquarie	1-Nov-19	30-Nov-19
64636883	21-Feb-17	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Basis Swap	60,000	bbl	1.1	Macquarie	1-Nov-19	30-Nov-19
64636884	21-Feb-17	8-Jan-20	2-Dec-19	31-Dec-19	IPE Brent	Basis Swap	-62,000	bbl		Macquarie	1-Dec-19	31-Dec-19
64636884	21-Feb-17	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Basis Swap	62,000	bbl	1.1	Macquarie	1-Dec-19	31-Dec-19
(BED17PO00001)	12-Jul-17	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Call Option	-132,500	bbl	50	BP	1-Dec-17	31-Dec-17
(BED18PO00001)	12-Jul-17	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Call Option	-450,000	bbl	55	BP	1-Dec-18	31-Dec-18
(BED19PO00001)	12-Jul-17	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Call Option	-390,000	bbl	60	BP	1-Dec-19	31-Dec-19
	28-Jul-17	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Call Option	132,500	bbl	50	BP	1-Dec-17	31-Dec-17
	28-Jul-17	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Call Option	450,000	bbl	55	BP	1-Dec-18	31-Dec-18
	28-Jul-17	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Call Option	390,000	bbl	60	BP	1-Dec-19	31-Dec-19
	28-Jul-17	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Nov-17	30-Nov-17
	28-Jul-17	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Dec-17	31-Dec-17
	28-Jul-17	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Jan-18	31-Jan-18
	28-Jul-17	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Feb-18	28-Feb-18
	28-Jul-17	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Mar-18	31-Mar-18
	28-Jul-17	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Apr-18	30-Apr-18
	28-Jul-17	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-May-18	31-May-18
	28-Jul-17	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Jun-18	30-Jun-18
	28-Jul-17	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Jul-18	31-Jul-18
	28-Jul-17	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Aug-18	31-Aug-18
	28-Jul-17	5-Oct-18	4-Sep-18	28-Sep-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Sep-18	30-Sep-18
	28-Jul-17	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Oct-18	31-Oct-18
	28-Jul-17	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Nov-18	30-Nov-18
	28-Jul-17	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Dec-18	31-Dec-18
	28-Jul-17	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Jan-19	31-Jan-19
	28-Jul-17	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Feb-19	28-Feb-19
	28-Jul-17	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Mar-19	31-Mar-19
	28-Jul-17	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Apr-19	30-Apr-19
	28-Jul-17	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-May-19	31-May-19
	28-Jul-17	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Call Option	-37,500	bbl	55	BP	1-Jun-19	30-Jun-19
	28-Jul-17	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Jul-19	31-Jul-19
	28-Jul-17	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Aug-19	31-Aug-19
	28-Jul-17	7-Oct-19	3-Sep-19	30-Sep-19	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Sep-19	30-Sep-19
	28-Jul-17	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Oct-19	31-Oct-19
	28-Jul-17	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Nov-19	30-Nov-19
	28-Jul-17	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Dec-19	31-Dec-19
	28-Jul-17	7-Feb-20	2-Jan-20	31-Jan-20	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Jan-20	31-Jan-20
	28-Jul-17	6-Mar-20	3-Feb-20	28-Feb-20	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Feb-20	29-Feb-20
	28-Jul-17	7-Apr-20	2-Mar-20	31-Mar-20	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Mar-20	31-Mar-20
	28-Jul-17	7-May-20	1-Apr-20	30-Apr-20	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Apr-20	30-Apr-20
	28-Jul-17	5-Jun-20	1-May-20	29-May-20	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-May-20	31-May-20
	28-Jul-17	8-Jul-20	1-Jun-20	30-Jun-20	NYMEX WTI	Call Option	-32,500	bbl	60	BP	1-Jun-20	30-Jun-20
	28-Jul-17	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Nov-17	30-Nov-17
	28-Jul-17	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Dec-17	31-Dec-17

new contracts traded 7/12/2017

trade id (contract #)	trade date	payment date	first fixing date	last fixing date	underlying	trade type	position	units	price	counterparty	start date	end date
	28-Jul-17	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Jan-18	31-Jan-18
	28-Jul-17	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Feb-18	28-Feb-18
	28-Jul-17	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Mar-18	31-Mar-18
	28-Jul-17	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Apr-18	30-Apr-18
	28-Jul-17	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-May-18	31-May-18
	28-Jul-17	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Jun-18	30-Jun-18
	28-Jul-17	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Jul-18	31-Jul-18
	28-Jul-17	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Aug-18	31-Aug-18
	28-Jul-17	5-Oct-18	4-Sep-18	28-Sep-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Sep-18	30-Sep-18
	28-Jul-17	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Oct-18	31-Oct-18
	28-Jul-17	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Nov-18	30-Nov-18
	28-Jul-17	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Dec-18	31-Dec-18
	28-Jul-17	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Jan-19	31-Jan-19
	28-Jul-17	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Feb-19	28-Feb-19
	28-Jul-17	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Mar-19	31-Mar-19
	28-Jul-17	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Apr-19	30-Apr-19
	28-Jul-17	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-May-19	31-May-19
	28-Jul-17	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Call Option	-37,500	bbl	55	Macquarie	1-Jun-19	30-Jun-19
	28-Jul-17	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Jul-19	31-Jul-19
	28-Jul-17	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Aug-19	31-Aug-19
	28-Jul-17	7-Oct-19	3-Sep-19	30-Sep-19	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Sep-19	30-Sep-19
	28-Jul-17	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Oct-19	31-Oct-19
	28-Jul-17	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Nov-19	30-Nov-19
	28-Jul-17	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Dec-19	31-Dec-19
	28-Jul-17	7-Feb-20	2-Jan-20	31-Jan-20	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Jan-20	31-Jan-20
	28-Jul-17	6-Mar-20	3-Feb-20	28-Feb-20	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Feb-20	29-Feb-20
	28-Jul-17	7-Apr-20	2-Mar-20	31-Mar-20	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Mar-20	31-Mar-20
	28-Jul-17	7-May-20	1-Apr-20	30-Apr-20	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Apr-20	30-Apr-20
	28-Jul-17	5-Jun-20	1-May-20	29-May-20	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-May-20	31-May-20
	28-Jul-17	8-Jul-20	1-Jun-20	30-Jun-20	NYMEX WTI	Call Option	-32,500	bbl	60	Macquarie	1-Jun-20	30-Jun-20
63417700	15-Dec-16	7-Aug-17	3-Jul-17	31-Jul-17	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Jul-17	31-Jul-17
63417701	15-Dec-16	8-Sep-17	1-Aug-17	31-Aug-17	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Aug-17	31-Aug-17
63417702	15-Dec-16	6-Oct-17	1-Sep-17	29-Sep-17	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Sep-17	30-Sep-17
63417703	15-Dec-16	7-Nov-17	2-Oct-17	31-Oct-17	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Oct-17	31-Oct-17
63417704	15-Dec-16	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Nov-17	30-Nov-17
63417705	15-Dec-16	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Dec-17	31-Dec-17
63417706	15-Dec-16	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Jan-18	31-Jan-18
63417707	15-Dec-16	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Fixed Swap	-28,000	bbl	53	BP	1-Feb-18	28-Feb-18
63417708	15-Dec-16	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Mar-18	31-Mar-18
63417709	15-Dec-16	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Apr-18	30-Apr-18
63417710	15-Dec-16	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-May-18	31-May-18
63417711	15-Dec-16	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Jun-18	30-Jun-18
63417712	15-Dec-16	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Jul-18	31-Jul-18
63417713	15-Dec-16	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Aug-18	31-Aug-18
63417714	15-Dec-16	5-Oct-18	4-Sep-18	28-Sep-18	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Sep-18	30-Sep-18
63417715	15-Dec-16	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Oct-18	31-Oct-18
63417716	15-Dec-16	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Nov-18	30-Nov-18
63417717	15-Dec-16	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Dec-18	31-Dec-18
63417718	15-Dec-16	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Jan-19	31-Jan-19
63417719	15-Dec-16	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Fixed Swap	-28,000	bbl	53	BP	1-Feb-19	28-Feb-19
63417720	15-Dec-16	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Mar-19	31-Mar-19
63417721	15-Dec-16	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Apr-19	30-Apr-19
63417722	15-Dec-16	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-May-19	31-May-19
63417723	15-Dec-16	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Jun-19	30-Jun-19
63417724	15-Dec-16	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Jul-19	31-Jul-19
63417725	15-Dec-16	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Aug-19	31-Aug-19
63417726	15-Dec-16	7-Oct-19	3-Sep-19	30-Sep-19	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Sep-19	30-Sep-19
63417727	15-Dec-16	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Oct-19	31-Oct-19
63417728	15-Dec-16	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Fixed Swap	-30,000	bbl	53	BP	1-Nov-19	30-Nov-19
63417729	15-Dec-16	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Fixed Swap	-31,000	bbl	53	BP	1-Dec-19	31-Dec-19
63417736	13-Dec-16	7-Aug-17	3-Jul-17	31-Jul-17	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Jul-17	31-Jul-17
63417737	13-Dec-16	8-Sep-17	1-Aug-17	31-Aug-17	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Aug-17	31-Aug-17
63417738	13-Dec-16	6-Oct-17	1-Sep-17	29-Sep-17	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Sep-17	30-Sep-17
63417739	13-Dec-16	7-Nov-17	2-Oct-17	31-Oct-17	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Oct-17	31-Oct-17
63417740	13-Dec-16	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Nov-17	30-Nov-17
63417741	13-Dec-16	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Dec-17	31-Dec-17
63417742	13-Dec-16	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Jan-18	31-Jan-18
63417743	13-Dec-16	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Fixed Swap	-140,000	bbl	54.5	BP	1-Feb-18	28-Feb-18
63417744	13-Dec-16	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Mar-18	31-Mar-18
63417745	13-Dec-16	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Apr-18	30-Apr-18
63417746	13-Dec-16	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-May-18	31-May-18
63417747	13-Dec-16	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Jun-18	30-Jun-18
63417748	13-Dec-16	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Jul-18	31-Jul-18
63417749	13-Dec-16	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Aug-18	31-Aug-18
63417750	13-Dec-16	5-Oct-18	4-Sep-18	28-Sep-18	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Sep-18	30-Sep-18

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trade id (contract #)	trade date	payment date	first fixing date	last fixing date	underlying	trade type	position	units	price	counterparty	start date	end date
63417751	13-Dec-16	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Oct-18	31-Oct-18
63417752	13-Dec-16	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Nov-18	30-Nov-18
63417753	13-Dec-16	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Dec-18	31-Dec-18
63417754	13-Dec-16	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Jan-19	31-Jan-19
63417755	13-Dec-16	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Fixed Swap	-140,000	bbl	54.5	BP	1-Feb-19	28-Feb-19
63417756	13-Dec-16	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Mar-19	31-Mar-19
63417758	13-Dec-16	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Apr-19	30-Apr-19
63417759	13-Dec-16	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-May-19	31-May-19
63417761	13-Dec-16	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Jun-19	30-Jun-19
63417762	13-Dec-16	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Jul-19	31-Jul-19
63417763	13-Dec-16	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Aug-19	31-Aug-19
63417764	13-Dec-16	7-Oct-19	3-Sep-19	30-Sep-19	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Sep-19	30-Sep-19
63417765	13-Dec-16	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Oct-19	31-Oct-19
63417766	13-Dec-16	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Fixed Swap	-150,000	bbl	54.5	BP	1-Nov-19	30-Nov-19
63417767	13-Dec-16	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Fixed Swap	-155,000	bbl	54.5	BP	1-Dec-19	31-Dec-19
63417807	16-Dec-16	7-Aug-17	3-Jul-17	31-Jul-17	NYMEX WTI	Fixed Swap	-62,000	bbl	54.1	Macquarie	1-Jul-17	31-Jul-17
63417808	16-Dec-16	8-Sep-17	1-Aug-17	31-Aug-17	NYMEX WTI	Fixed Swap	-62,000	bbl	54.1	Macquarie	1-Aug-17	31-Aug-17
63417809	16-Dec-16	6-Oct-17	1-Sep-17	29-Sep-17	NYMEX WTI	Fixed Swap	-60,000	bbl	54.1	Macquarie	1-Sep-17	30-Sep-17
63417810	16-Dec-16	7-Nov-17	2-Oct-17	31-Oct-17	NYMEX WTI	Fixed Swap	-62,000	bbl	54.1	Macquarie	1-Oct-17	31-Oct-17
63417811	16-Dec-16	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Fixed Swap	-60,000	bbl	54.1	Macquarie	1-Nov-17	30-Nov-17
63417812	16-Dec-16	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Fixed Swap	-62,000	bbl	54.1	Macquarie	1-Dec-17	31-Dec-17
63417813	16-Dec-16	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.1	Macquarie	1-Jan-18	31-Jan-18
63417814	16-Dec-16	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Fixed Swap	-28,000	bbl	54.1	Macquarie	1-Feb-18	28-Feb-18
63417815	16-Dec-16	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.1	Macquarie	1-Mar-18	31-Mar-18
63417816	16-Dec-16	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Fixed Swap	-30,000	bbl	54.1	Macquarie	1-Apr-18	30-Apr-18
63417817	16-Dec-16	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.1	Macquarie	1-May-18	31-May-18
63417818	16-Dec-16	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Fixed Swap	-30,000	bbl	54.1	Macquarie	1-Jun-18	30-Jun-18
63417819	16-Dec-16	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.1	Macquarie	1-Jul-18	31-Jul-18
63417820	16-Dec-16	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.1	Macquarie	1-Aug-18	31-Aug-18
63417821	16-Dec-16	5-Oct-18	4-Sep-18	28-Sep-18	NYMEX WTI	Fixed Swap	-30,000	bbl	54.1	Macquarie	1-Sep-18	30-Sep-18
63417822	16-Dec-16	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.1	Macquarie	1-Oct-18	31-Oct-18
63417823	16-Dec-16	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Fixed Swap	-30,000	bbl	54.1	Macquarie	1-Nov-18	30-Nov-18
63417824	16-Dec-16	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.1	Macquarie	1-Dec-18	31-Dec-18
63417825	16-Dec-16	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.1	Macquarie	1-Jan-19	31-Jan-19
63417826	16-Dec-16	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Fixed Swap	-14,000	bbl	54.1	Macquarie	1-Feb-19	28-Feb-19
63417827	16-Dec-16	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.1	Macquarie	1-Mar-19	31-Mar-19
63417828	16-Dec-16	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Fixed Swap	-15,000	bbl	54.1	Macquarie	1-Apr-19	30-Apr-19
63417829	16-Dec-16	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.1	Macquarie	1-May-19	31-May-19
63417830	16-Dec-16	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Fixed Swap	-15,000	bbl	54.1	Macquarie	1-Jun-19	30-Jun-19
63417831	16-Dec-16	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.1	Macquarie	1-Jul-19	31-Jul-19
63417832	16-Dec-16	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.1	Macquarie	1-Aug-19	31-Aug-19
63417833	16-Dec-16	7-Oct-19	3-Sep-19	30-Sep-19	NYMEX WTI	Fixed Swap	-15,000	bbl	54.1	Macquarie	1-Sep-19	30-Sep-19
63417834	16-Dec-16	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.1	Macquarie	1-Oct-19	31-Oct-19
63417835	16-Dec-16	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Fixed Swap	-15,000	bbl	54.1	Macquarie	1-Nov-19	30-Nov-19
63417836	16-Dec-16	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.1	Macquarie	1-Dec-19	31-Dec-19
63417849	19-Dec-16	7-Aug-17	3-Jul-17	31-Jul-17	NYMEX WTI	Fixed Swap	-62,000	bbl	54.8	Capital One	1-Jul-17	31-Jul-17
63417850	19-Dec-16	8-Sep-17	1-Aug-17	31-Aug-17	NYMEX WTI	Fixed Swap	-62,000	bbl	54.8	Capital One	1-Aug-17	31-Aug-17
63417851	19-Dec-16	6-Oct-17	1-Sep-17	29-Sep-17	NYMEX WTI	Fixed Swap	-60,000	bbl	54.8	Capital One	1-Sep-17	30-Sep-17
63417852	19-Dec-16	7-Nov-17	2-Oct-17	31-Oct-17	NYMEX WTI	Fixed Swap	-62,000	bbl	54.8	Capital One	1-Oct-17	31-Oct-17
63417853	19-Dec-16	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Fixed Swap	-60,000	bbl	54.8	Capital One	1-Nov-17	30-Nov-17
63417854	19-Dec-16	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Fixed Swap	-62,000	bbl	54.8	Capital One	1-Dec-17	31-Dec-17
63417855	19-Dec-16	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.8	Capital One	1-Jan-18	31-Jan-18
63417856	19-Dec-16	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Fixed Swap	-28,000	bbl	54.8	Capital One	1-Feb-18	28-Feb-18
63417857	19-Dec-16	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.8	Capital One	1-Mar-18	31-Mar-18
63417858	19-Dec-16	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Fixed Swap	-30,000	bbl	54.8	Capital One	1-Apr-18	30-Apr-18
63417860	19-Dec-16	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.8	Capital One	1-May-18	31-May-18
63417862	19-Dec-16	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Fixed Swap	-30,000	bbl	54.8	Capital One	1-Jun-18	30-Jun-18
63417863	19-Dec-16	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.8	Capital One	1-Jul-18	31-Jul-18
63417864	19-Dec-16	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.8	Capital One	1-Aug-18	31-Aug-18
63417865	19-Dec-16	5-Oct-18	4-Sep-18	28-Sep-18	NYMEX WTI	Fixed Swap	-30,000	bbl	54.8	Capital One	1-Sep-18	30-Sep-18
63417866	19-Dec-16	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.8	Capital One	1-Oct-18	31-Oct-18
63417867	19-Dec-16	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Fixed Swap	-30,000	bbl	54.8	Capital One	1-Nov-18	30-Nov-18
63417868	19-Dec-16	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Fixed Swap	-31,000	bbl	54.8	Capital One	1-Dec-18	31-Dec-18
63417869	19-Dec-16	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.8	Capital One	1-Jan-19	31-Jan-19
63417870	19-Dec-16	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Fixed Swap	-14,000	bbl	54.8	Capital One	1-Feb-19	28-Feb-19
63417871	19-Dec-16	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.8	Capital One	1-Mar-19	31-Mar-19
63417872	19-Dec-16	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Fixed Swap	-15,000	bbl	54.8	Capital One	1-Apr-19	30-Apr-19
63417873	19-Dec-16	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.8	Capital One	1-May-19	31-May-19
63417874	19-Dec-16	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Fixed Swap	-15,000	bbl	54.8	Capital One	1-Jun-19	30-Jun-19
63417875	19-Dec-16	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.8	Capital One	1-Jul-19	31-Jul-19
63417876	19-Dec-16	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.8	Capital One	1-Aug-19	31-Aug-19
63417877	19-Dec-16	7-Oct-19	3-Sep-19	30-Sep-19	NYMEX WTI	Fixed Swap	-15,000	bbl	54.8	Capital One	1-Sep-19	30-Sep-19
63417878	19-Dec-16	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.8	Capital One	1-Oct-19	31-Oct-19
63417879	19-Dec-16	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Fixed Swap	-15,000	bbl	54.8	Capital One	1-Nov-19	30-Nov-19
63417880	19-Dec-16	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Fixed Swap	-15,500	bbl	54.8	Capital One	1-Dec-19	31-Dec-19

new contracts traded 7/12/2017

trade id (contract #)	trade date	payment date	first fixing date	last fixing date	underlying	trade type	position	units	price	counterparty	start date	end date
(BED17PS00003)	12-Jul-17	7-Aug-17	3-Jul-17	31-Jul-17	NYMEX WTI	Fixed Swap	-78,333	bbl	49.5	BP	1-Jul-17	31-Jul-17
(BED17PS00003)	12-Jul-17	8-Sep-17	1-Aug-17	31-Aug-17	NYMEX WTI	Fixed Swap	-78,333	bbl	49.5	BP	1-Aug-17	31-Aug-17
(BED17PS00003)	12-Jul-17	6-Oct-17	1-Sep-17	29-Sep-17	NYMEX WTI	Fixed Swap	-78,334	bbl	49.5	BP	1-Sep-17	30-Sep-17
(BED17PS00004)	12-Jul-17	7-Nov-17	2-Oct-17	31-Oct-17	NYMEX WTI	Fixed Swap	-69,166	bbl	48.75	BP	1-Oct-17	31-Oct-17
(BED17PS00004)	12-Jul-17	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Fixed Swap	-69,166	bbl	48.75	BP	1-Nov-17	30-Nov-17
(BED17PS00004)	12-Jul-17	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Fixed Swap	-69,168	bbl	48.75	BP	1-Dec-17	31-Dec-17
(BED18PS00001)	12-Jul-17	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.75	BP	1-Jan-18	31-Jan-18
(BED18PS00001)	12-Jul-17	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Fixed Swap	-72,800	bbl	48.75	BP	1-Feb-18	28-Feb-18
(BED18PS00001)	12-Jul-17	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.75	BP	1-Mar-18	31-Mar-18
(BED18PS00001)	12-Jul-17	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Fixed Swap	-78,000	bbl	48.75	BP	1-Apr-18	30-Apr-18
(BED18PS00001)	12-Jul-17	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.75	BP	1-May-18	31-May-18
(BED18PS00001)	12-Jul-17	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Fixed Swap	-78,000	bbl	48.75	BP	1-Jun-18	30-Jun-18
(BED18PS00001)	12-Jul-17	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.75	BP	1-Jul-18	31-Jul-18
(BED18PS00001)	12-Jul-17	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.75	BP	1-Aug-18	31-Aug-18
(BED18PS00001)	12-Jul-17	5-Oct-18	4-Sep-18	28-Sep-18	NYMEX WTI	Fixed Swap	-78,000	bbl	48.75	BP	1-Sep-18	30-Sep-18
(BED18PS00001)	12-Jul-17	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.75	BP	1-Oct-18	31-Oct-18
(BED18PS00001)	12-Jul-17	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Fixed Swap	-78,000	bbl	48.75	BP	1-Nov-18	30-Nov-18
(BED18PS00001)	12-Jul-17	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.75	BP	1-Dec-18	31-Dec-18
(BED19PS00002)	12-Jul-17	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.75	BP	1-Jan-19	31-Jan-19
(BED19PS00002)	12-Jul-17	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Fixed Swap	-63,000	bbl	48.75	BP	1-Feb-19	28-Feb-19
(BED19PS00002)	12-Jul-17	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.75	BP	1-Mar-19	31-Mar-19
(BED19PS00002)	12-Jul-17	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Fixed Swap	-67,500	bbl	48.75	BP	1-Apr-19	30-Apr-19
(BED19PS00002)	12-Jul-17	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.75	BP	1-May-19	31-May-19
(BED19PS00002)	12-Jul-17	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Fixed Swap	-67,500	bbl	48.75	BP	1-Jun-19	30-Jun-19
(BED19PS00002)	12-Jul-17	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.75	BP	1-Jul-19	31-Jul-19
(BED19PS00002)	12-Jul-17	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.75	BP	1-Aug-19	31-Aug-19
(BED19PS00002)	12-Jul-17	7-Oct-19	3-Sep-19	30-Sep-19	NYMEX WTI	Fixed Swap	-67,500	bbl	48.75	BP	1-Sep-19	30-Sep-19
(BED19PS00002)	12-Jul-17	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.75	BP	1-Oct-19	31-Oct-19
(BED19PS00002)	12-Jul-17	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Fixed Swap	-67,500	bbl	48.75	BP	1-Nov-19	30-Nov-19
(BED19PS00002)	12-Jul-17	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.75	BP	1-Dec-19	31-Dec-19
(HH_41298464)	12-Jul-17	7-Feb-19	2-Jan-19	31-Jan-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.4	Macquarie	1-Jan-19	31-Jan-19
(HH_41298464)	12-Jul-17	7-Mar-19	1-Feb-19	28-Feb-19	NYMEX WTI	Fixed Swap	-63,000	bbl	48.4	Macquarie	1-Feb-19	28-Feb-19
(HH_41298464)	12-Jul-17	5-Apr-19	1-Mar-19	29-Mar-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.4	Macquarie	1-Mar-19	31-Mar-19
(HH_41298464)	12-Jul-17	7-May-19	1-Apr-19	30-Apr-19	NYMEX WTI	Fixed Swap	-67,500	bbl	48.4	Macquarie	1-Apr-19	30-Apr-19
(HH_41298464)	12-Jul-17	7-Jun-19	1-May-19	31-May-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.4	Macquarie	1-May-19	31-May-19
(HH_41298464)	12-Jul-17	8-Jul-19	3-Jun-19	28-Jun-19	NYMEX WTI	Fixed Swap	-67,500	bbl	48.4	Macquarie	1-Jun-19	30-Jun-19
(HH_41298464)	12-Jul-17	7-Aug-19	1-Jul-19	31-Jul-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.4	Macquarie	1-Jul-19	31-Jul-19
(HH_41298464)	12-Jul-17	9-Sep-19	1-Aug-19	30-Aug-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.4	Macquarie	1-Aug-19	31-Aug-19
(HH_41298464)	12-Jul-17	7-Oct-19	3-Sep-19	30-Sep-19	NYMEX WTI	Fixed Swap	-67,500	bbl	48.4	Macquarie	1-Sep-19	30-Sep-19
(HH_41298464)	12-Jul-17	7-Nov-19	1-Oct-19	31-Oct-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.4	Macquarie	1-Oct-19	31-Oct-19
(HH_41298464)	12-Jul-17	6-Dec-19	1-Nov-19	29-Nov-19	NYMEX WTI	Fixed Swap	-67,500	bbl	48.4	Macquarie	1-Nov-19	30-Nov-19
(HH_41298464)	12-Jul-17	8-Jan-20	2-Dec-19	31-Dec-19	NYMEX WTI	Fixed Swap	-69,750	bbl	48.4	Macquarie	1-Dec-19	31-Dec-19
(HH_41298463)	12-Jul-17	7-Feb-18	2-Jan-18	31-Jan-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.4	Macquarie	1-Jan-18	31-Jan-18
(HH_41298463)	12-Jul-17	7-Mar-18	1-Feb-18	28-Feb-18	NYMEX WTI	Fixed Swap	-72,800	bbl	48.4	Macquarie	1-Feb-18	28-Feb-18
(HH_41298463)	12-Jul-17	5-Apr-18	1-Mar-18	29-Mar-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.4	Macquarie	1-Mar-18	31-Mar-18
(HH_41298463)	12-Jul-17	7-May-18	2-Apr-18	30-Apr-18	NYMEX WTI	Fixed Swap	-78,000	bbl	48.4	Macquarie	1-Apr-18	30-Apr-18
(HH_41298463)	12-Jul-17	7-Jun-18	1-May-18	31-May-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.4	Macquarie	1-May-18	31-May-18
(HH_41298463)	12-Jul-17	9-Jul-18	1-Jun-18	29-Jun-18	NYMEX WTI	Fixed Swap	-78,000	bbl	48.4	Macquarie	1-Jun-18	30-Jun-18
(HH_41298463)	12-Jul-17	7-Aug-18	2-Jul-18	31-Jul-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.4	Macquarie	1-Jul-18	31-Jul-18
(HH_41298463)	12-Jul-17	10-Sep-18	1-Aug-18	31-Aug-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.4	Macquarie	1-Aug-18	31-Aug-18
(HH_41298463)	12-Jul-17	5-Oct-18	4-Sep-18	28-Sep-18	NYMEX WTI	Fixed Swap	-78,000	bbl	48.4	Macquarie	1-Sep-18	30-Sep-18
(HH_41298463)	12-Jul-17	7-Nov-18	1-Oct-18	31-Oct-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.4	Macquarie	1-Oct-18	31-Oct-18
(HH_41298463)	12-Jul-17	7-Dec-18	1-Nov-18	30-Nov-18	NYMEX WTI	Fixed Swap	-78,000	bbl	48.4	Macquarie	1-Nov-18	30-Nov-18
(HH_41298463)	12-Jul-17	8-Jan-19	3-Dec-18	31-Dec-18	NYMEX WTI	Fixed Swap	-80,600	bbl	48.4	Macquarie	1-Dec-18	31-Dec-18
(HH_41298461)	12-Jul-17	7-Aug-17	12-Jul-17	31-Jul-17	NYMEX WTI	Fixed Swap	-58,000	bbl	49.5	Macquarie	12-Jul-17	31-Jul-17
(HH_41298461)	12-Jul-17	8-Sep-17	1-Aug-17	31-Aug-17	NYMEX WTI	Fixed Swap	-90,000	bbl	49.5	Macquarie	1-Aug-17	31-Aug-17
(HH_41298461)	12-Jul-17	6-Oct-17	1-Sep-17	29-Sep-17	NYMEX WTI	Fixed Swap	-87,000	bbl	49.5	Macquarie	1-Sep-17	30-Sep-17
(HH_41298462)	12-Jul-17	7-Nov-17	2-Oct-17	31-Oct-17	NYMEX WTI	Fixed Swap	-69,905	bbl	48.4	Macquarie	1-Oct-17	31-Oct-17
(HH_41298462)	12-Jul-17	7-Dec-17	1-Nov-17	30-Nov-17	NYMEX WTI	Fixed Swap	-67,690	bbl	48.4	Macquarie	1-Nov-17	30-Nov-17
(HH_41298462)	12-Jul-17	8-Jan-18	1-Dec-17	29-Dec-17	NYMEX WTI	Fixed Swap	-69,905	bbl	48.4	Macquarie	1-Dec-17	31-Dec-17

SCHEDULE 4.23

Hedging Arrangements

(See attached.)

SCHEDULE 4.24

Material Agreements

Contract Type	Counterparty	Entity	Date
NAESB	Cima Energy Ltd.	Berry Petroleum Company, LLC	3/7/2017
NAESB	Twin Eagle Resource Management LLC	Berry Petroleum Company, LLC	3/14/2017
Processing Agreement	Seneca Resources Corporation	Berry Petroleum Company, LLC	6/1/1993
Crude Oil Purchase Agreement	Phillips 66 Company	Berry Petroleum Company, LLC	9/1/2016
Crude Oil Purchase Agreement	Tesoro Refining & Marketing Company LLC	Berry Petroleum Company, LLC	10/1/2016
Joint Venture Agreement	Aera Energy LLC and Chalk Cliff Limited	Berry Petroleum Company, LLC	12/2/1991
Joint Venture Agreement	Aera Energy LLC and Chalk Cliff Limited	Berry Petroleum Company, LLC	1/8/1992
Operational Balancing Agreement	Kern River Gas Transmission Co.	Berry Petroleum Company, LLC	3/1/2011
Operational Balancing Agreement	Kern River Gas Transmission Co.	Berry Petroleum Company, LLC	3/1/2013
Operational Balancing Agreement	Mojave Pipeline Company, L.L.C.	Berry Petroleum Company, LLC	3/1/2011
Operational Balancing Agreement	Mojave Pipeline Company, L.L.C.	Berry Petroleum Company, LLC	5/1/2013
Natural Gas Pipeline Interconnect Agreement	Occidental of Elk Hills, Inc.	Berry Petroleum Company, LLC	6/30/2011
Master Services Contract	Southern California Gas Company	Berry Petroleum Company, LLC	2/14/1995
NAESB	Linn Operating, LLC	Berry Petroleum Company, LLC	3/10/2017
Crude Oil Purchase Agreement	Plains Marketing, L.P.	Berry Petroleum Company, LLC	1/1/2017
Gas Gathering Agreement	Caerus Piceance, LLC	Berry Petroleum Company, LLC	6/29/2006
Gas Gathering Agreement	Caerus Piceance, LLC	Berry Petroleum Company, LLC	6/7/2006
Gas Gathering and Processing Agreement	Enbridge G & P (East Texas) L.P.	Berry Petroleum Company, LLC	9/1/2015
Gas Gathering Agreement	Enbridge G & P (East Texas) L.P.	Berry Petroleum Company, LLC	9/1/2015
Agreement for 311 Transportation Service	Enbridge G & P (East Texas) L.P.	Berry Petroleum Company, LLC	9/1/2015
Gas Gathering Agreement	Enable Midstream Partners, LP	Berry Petroleum Company, LLC	7/16/2009
Gas Gathering Agreement	Spartan Midstream LLC	Berry Petroleum Company, LLC	7/16/2009
Gas Purchase/Gathering Agreement	Oneok Field Services Company, LLC	Berry Petroleum Company, LLC	4/20/1984
Gas Gathering Agreement	WGP-KHC, LLC.	Berry Petroleum Company, LLC	11/1/2004
Gas Compression Agreement	Oneok Field Services Company, L.L.C.	Berry Petroleum Company, LLC	12/1/2007

Gas Purchase Agreement	Linn Energy Holdings, LLC	Berry Petroleum Company, LLC	5/1/2010
Gas Processing Agreement	DCP Midstream LP	Berry Petroleum Company, LLC	8/1/2008
Gas Gathering and Compression Agreement	DCP Midstream LP	Berry Petroleum Company, LLC	8/1/2008
Gas Gathering Agreement	Oneok Field Services Company, L.L.C.	Berry Petroleum Company, LLC	11/1/2007
Gas Purchase/Gathering Agreement	Oneok Field Services Company, LLC	Berry Petroleum Company, LLC	8/1/2016
Gas Gathering Agreement	Oneok Field Services Company, L.L.C.	Berry Petroleum Company, LLC	12/1/2007
Agrmt for Sale & Purch of Helium Gas Mixture	Praxair, In.c	Berry Petroleum Company, LLC	1/27/2017
Interconnect Agreement (3rd Party)	Breitburn Operating, LP	Berry Petroleum Company, LLC	9/15/2005
Conmpressor Facility Agreement	Merit Management Partners V, L.P.	Berry Petroleum Company, LLC	8/1/1960
Gas Purchase Agreement	Linn Energy Holdings, LLC	Berry Petroleum Company, LLC	2/28/2017
Royalty Payment Agreemtn	Linn Operating, LLC	Berry Petroleum Company, LLC	5/1/2017
Net Settlement Agreement	Linn Energy Holdings, LLC	Berry Petroleum Company, LLC	4/1/2017
Gas Gathering Agreement	Rig II, LLC	Berry Petroleum Company, LLC	7/1/2010
Crude Oil Purchase Agreement	Chevron Products Company	Berry Petroleum Company, LLC	3/1/2016
Crude Oil Purchase Agreement	Tesoro Refining & Marketing Company LLC	Berry Petroleum Company, LLC	1/1/2016
Crude Oil Purchase Agreement	HollyFrontier Refining & Marketing LLC	Berry Petroleum Company, LLC	8/1/2014
Gas Gathering Agreement	Petroglyph Operating Company, Inc.	Berry Petroleum Company, LLC	3/1/2010
Firm Transportation Service Agreement	Questar Pipeline Company	Berry Petroleum Company, LLC	2/7/2013
Gas Processing Agreement	Chipeta Processing LLC	Berry Petroleum Company, LLC	9/21/2011
Firm Transportation Service Agreement	Questar Pipeline Company	Berry Petroleum Company, LLC	7/24/2012
Firm Transportation Service Agreement	Questar Pipeline Company	Berry Petroleum Company, LLC	11/1/2007
Firm Transportation Service Agreement	Questar Pipeline Company	Berry Petroleum Company, LLC	8/1/2012
Gas Gathering Agreement	Lake Canyon Transportation and Gathering, LLC	Berry Petroleum Company, LLC	4/12/2006
Operational Balancing Agreement	Questar Pipeline Company	Berry Petroleum Company, LLC	10/1/2003
Facilities Agreement	Questar Pipeline Company	Berry Petroleum Company, LLC	1/17/2006
Joint Venture Agreement	UTE Indian Tribe of the Uintah and Ouray Reservation	Berry Petroleum Company, LLC	4/1/1992
License Agreement	UTE Indian Tribe of the Uintah and Ouray Reservation	Berry Petroleum Company, LLC	8/28/2003
NAESB	Rig II, LLC	Berry Petroleum Company, LLC	7/1/2010

SCHEDULE 4.28

Deposit Accounts and Securities Accounts

Deposit Accounts and Securities Accounts

Bank Name	Legal Name	Account #	Type of Account
Comerica Bank	Berry Petroleum Company, LLC	1881589319	Checking
Wells Fargo	Berry Petroleum Company, LLC	4296915481	Checking
Wells Fargo	Berry Petroleum Corporation	4326009313	Checking

Excluded Accounts

Bank Name	Legal Name	Account #	Type of Account
Wells Fargo	Berry Petroleum Company, LLC	9645482127	Controlled Disbursement ZBA Account
Wells Fargo	Berry Petroleum Company, LLC	4325019479	Petty Cash Account – Roosevelt
Wells Fargo	Berry Petroleum Company, LLC	4325019420	Petty Cash Account – Payroll
Wells Fargo	Berry Petroleum Company, LLC	4325019487	Petty Cash Account – Parachute
Wells Fargo	Berry Petroleum Company, LLC	14839200	EPA Standby Trust Account
Wells Fargo	Berry Petroleum Company, LLC	49082300	Berry Petroleum Company California Department of Fish and Wildlife Escrow Account
Amegy Bank	Berry Petroleum Company, LLC	5794258060	General Unsecured Claim Account

SCHEDULE 6.1

Existing Debt

None.

SCHEDULE 6.2

Existing Liens

None.

SCHEDULE 6.3

Existing Investments

Borrower owns 37.5% of the outstanding membership interests of Lake Canyon Transportation and Gathering, LLC, a Utah limited liability company.

EXHIBIT A
FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [the][each][1] Assignor identified in item 1 below ([the][each, an] "Assignor") and [the][each][2] Assignee identified in item 2 below ([the][each, an] "Assignee"). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees][3] hereunder are several and not joint.][4] Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by [the] [each] Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of [the Assignor's][the respective Assignors'] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective facilities identified below (including without limitation any letters of credit and guarantees included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as [the][an] "Assigned Interest"). Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by [the][any] Assignor.

1. Assignor[s]: _____

_____

[Assignor [is] [is not] a Defaulting Lender]

---

1 For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

2 For bracketed language here and elsewhere in this form relating to the Assignee(s), if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

3 Select as appropriate.

4 Include bracketed language if there are either multiple Assignors or multiple Assignees.

2. Assignee[s]: _____

_____

[for each Assignee, indicate [Affiliate][Approved Fund] of [*identify Lender*]
[Assignee [is] [is not] a Defaulting Lender]

3. Borrower: BERRY PETROLEUM COMPANY, LLC

4. Administrative Agent: WELLS FARGO BANK, NATIONAL ASSOCIATION, as administrative agent under the Credit Agreement

5. Credit Agreement: Credit Agreement dated July [31], 2017 among Borrower, Berry Petroleum Corporation, as parent guarantor, the Lenders party thereto from time to time, and Wells Fargo Bank, National Association, as Administrative Agent and as Issuing Lender.

6. Assigned Interest[s]:

Assignor[s]	Assignee[s]	Facility Assigned	Aggregate Amount of Commitments /Advances for all Lenders	Amount of Commitment / Advances Assigned[5]	Percentage Assigned of Commitment / Advances[6]	CUSIP Number
			$	$	%	
			$	$	%	
			$	$	%	

7. Trade Date: _____[7]

Effective Date: _____ ___, 20___ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREOF.]

5 Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

6 Set forth, to at least 9 decimals, as a percentage of the Commitment / Advances of all Lenders thereunder.

7 To be completed if the Assignor(s) and the Assignee(s) intend that the minimum assignment amount is to be determined as of the Trade Date.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR[S][8]
[NAME OF ASSIGNOR]

By: _____
Name: _____
Title: _____

ASSIGNEE[S]
[NAME OF ASSIGNEE]

By: _____
Name: _____
Title: _____

8 Add additional signature blocks as needed.

[Consented to and] [9] Accepted:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent and as Issuing Lender

By: _____
Name: _____
Title: _____

[Consented to:] [10]

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

9 To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.
10 To be added only if the consent of the Borrower is required by the terms of the Credit Agreement.

**STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION**

1. Representations and Warranties.

1.1 Assignor[s]. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is not a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

1.2. Assignee[s]. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 10.7 of the Credit Agreement (subject to such consents, if any, as may be required under Section 10.7 of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of [the][the relevant] Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 5.2 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, and (vii) if it is a Foreign Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by [the][such] Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, [the][any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor[s] and the Assignee[s] shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the laws of the State of New York.

Exhibit A – Form of Assignment and Assumption
Annex I

EXHIBIT B
FORM OF COMPLIANCE CERTIFICATE

FOR THE PERIOD FROM _____, 20__ TO _____, 20__

This certificate dated as of _____ ___, _____ is prepared pursuant to the Credit Agreement dated as of July 31, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among Berry Petroleum Company, LLC ("Borrower"), Berry Petroleum Corporation. (the "Parent"), the lenders party thereto from time to time (the "Lenders"), and Wells Fargo Bank, National Association, as administrative agent for such Lenders (in such capacity, the "Administrative Agent") and as issuing lender. Unless otherwise defined in this certificate, capitalized terms that are defined in the Credit Agreement shall have the meanings assigned to them by the Credit Agreement.

The undersigned, on behalf of the Borrower, certifies that:

(a) all representations and warranties made by any Credit Party in the Credit Documents (other than those representations and warranties made in connection with a delivery of an Engineering Report as certified in a Reserve Report Certificate) are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on this date, except that any representation and warranty which by its terms is made as of a specified date is true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) only as of such specified date;

(b) attached hereto in Schedule I are detailed calculations reflecting the components of the covenant calculations, as of the date and for the periods covered by this certificate, of Consolidated EBITDAX and Consolidated Net Tangible Assets;

[(c) no Default or Event of Default has occurred or is continuing as of the date hereof; and]

[(c) the following Default[s] or Event[s] of Default exist[s] as of the date hereof, if any, and the actions set forth below are being taken to remedy such circumstances:

_____;]

[(e)] as of the date hereof for the periods set forth below the following statements, amounts, and calculations included herein and in Schedule I, were true and correct in all material respects[.][; and

(f) The Credit Parties have acquired the real properties listed on Schedule 2 that either (i) are material to the operations of the Credit Parties or (y) have a fair market value in excess of $2,500,000.]

I. Section 6.16 Leverage Ratio.[11]

(a) Consolidated Total Debt as of the last day of such fiscal quarter $_____

(b) Consolidated EBITDAX for the Test Period then ended (i) + (ii) = $_____

(i) Consolidated EBITDAX (excluding cash proceeds from an Equity Issuance resulting from a Covenant Cure Payment)
$_____

(ii) Consolidated EBITDAX resulting from the exercise of a Covenant Cure Payment [12]
$_____

Leverage Ratio = (a) divided by (b) =_____

Maximum Leverage Ratio 4.00 to 1.00

Compliance **[Yes]** **[No]**

II. Section 6.17 Current Ratio.[13]

as of the last day of such fiscal quarter:

(a) total consolidated current assets[14] $_____

(b) total consolidated current liabilities[15] $_____

Current Ratio = (a) divided by (b) =_____

Minimum Current Ratio 1.00 to 1.00

Compliance **[Yes]** **[No]**

11 To be provided beginning with the fiscal quarter ending September 30, 2017.
12 To be included only to the extent permitted in accordance with Section 7.7 of the Credit Agreement.
13 To be provided beginning with the fiscal quarter ending September 30, 2017. For purposes of this calculation (i) "current assets" shall include, as of the date of calculation, the Availability but shall exclude any asset representing a valuation account arising from the application of ASC 410 and 815, and (ii) "current liabilities" shall exclude, as of the date of calculation, the current portion of long–term Debt existing under the Credit Agreement and any liabilities representing a valuation account arising from the application of ASC 410 and 815.
14 For the Credit Parties.
15 For the Credit Parties.

III. Section 6.1(b) and Section 6.1(t) Debt.

Section6.1(b)

as of the last day of such fiscal quarter:

(a) Debt of the Borrower and the Restricted Subsidiaries permitted by Section 6.1(b) incurred (and outstanding) to finance the acquisition, construction or improvement of any fixed capital assets (whether or not constituting purchase money Debt), including obligations in respect of Capital Leases and and any Debt assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Debt that does not increase the outstanding principal amount thereof[16] = _____

(b) Consolidated Net Tangible Assets = _____

(c) Consolidated Net Tangible Assets multipled by (0.02)) = _____

Debt Covenant: (a) less than or equal to (c)

Compliance **[Yes] [No]**

Section6.1(t)

as of the last day of such fiscal quarter:

(a) Debt[17] permitted by Section 6.1(t) of all acquired Restricted Subsidiaries = _____

(b) Consolidated Net Tangible Assets = _____

(c) Consolidated Net Tangible Assets multipled by (0.02)) = _____

Debt Covenant: (a) less than or equal to (c)

Compliance **[Yes] [No]**

16 Provided that such Debt is incurred prior to or within 120 days after such acquisition or the completion of such construction or improvement.

17 Other than for borrowed money.

IV. Section 6.3(p) Investments.

as of the last day of such fiscal quarter:

(a) All investments[18] permitted under Section 6.3(p) of the Credit Agreement[19] = _____

(b) Consolidated Net Tangible Assets = _____

(c) Consolidated Net Tangible Assets multipled by (0.02)) = _____

Investment Covenant: (a) less than or equal to (c)

Compliance **[Yes] [No]**

V. Production and Hedging Reports.

(a) Attached hereto as Schedule II is a true and complete list of the lease operating statements for the Wells, aggregated for each region, for each month for the periods covered by this certificate (detailed on a monthly basis).

(b) Attached hereto as Schedule III is a true and complete list of any changes to any producing reservoir, production equipment, or producing well for the periods covered by this certificate, which changes could reasonably be expected to cause a Material Adverse Change.

(c) Attached hereto as Schedule IV is a true and complete list of any sales of the Borrower's or any Subsidiaries' Oil and Gas Properties to which Proven Reserves are attributable during each month for the periods covered by this certificate (detailed on a monthly basis for the periods covered by this certificate), excluding sales that, individually or in the aggregate, are less than $500,000 for the quarterly period covered by this certificate.

(d) Attached hereto as Schedule V is a true and complete list of all Hedging Arrangements of the Credit Parties and detailing the material terms thereof (including the type, effective date, and notional amounts or volumes on a monthly basis, for the periods covered by this certificate).

(e) Attached hereto as Schedule VI is a true and complete list of all credit support agreements (other than any Credit Documents) relating to the Hedging Arrangements of the Credit Parties (including any margin required or supplied) and the counterparty to each such agreement; provided that, such required listing of any credit support agreements shall, in no event, be construed as permitting such credit supports which are not permitted under the terms of the Credit Agreement.

18 Other than in an Unrestricted Subsidiary.

19 By the Credit Parties.

(f) Attached hereto as Schedule VII are calculations showing that the Credit Parties [are] [are not] in compliance with the negative covenant provided in Section 6.15(b) of the Credit Agreement:[20]

(i) In no event has the aggregate notional volume of all Hedging Arrangements in respect of commodities for a particular month exceeded 100% of the actual production for each of crude oil, natural gas and natural gas liquids, calculated separately, in the previous calendar month.

Compliance [Yes] [No]

20 For purposes of determining compliance under Section 6.15 (b), basis differential Hedging Arrangements shall not be included in Hedging Arrangements so long as the volumes of such basis differential Hedging Arrangements are not in excess of the volumes of the underlying commodity Hedging Arrangements.

IN WITNESS THEREOF, I have hereto signed my name to this Compliance Certificate as of _____ __, _____.

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

SCHEDULE I

Consolidated EBITDAX[21] for the Test Period then ended [22]		
(i) + (ii) + (iii) + (iv) + (v) + (vi)[23] + (vii) – (viii) [24] + (ix)		$
(i)	Consolidated Net Income	$
(ii)	Consolidated Interest Expense	$
(iii)	Consolidated Income Tax Expense	$
(iv)	depreciation, amortization, depletion and exploration expenses	$
(v)	non-cash charges[25]	$
(vi)	other non-cash charges[26]	$
(vii)	third quarter 2017 charges incurred in connection with the Plan of Reorganziation[27]	$
(viii)	non-cash income[28]	$
(ix)	Consolidated EBITDAX from exercise of cure right[29]	$

21 For the Credit Parties. Consolidated EBITDAX shall be subject to pro forma adjustments for permitted acquisitions and non-ordinary course asset sales assuming that such transactions had occurred on the first day of the determination period, which adjustments shall be made in a manner, and subject to supporting documentation, set forth by the SEC in Regulation S-X or otherwise acceptable to the Administrative Agent. For the avoidance of doubt, Consolidated EBITDAX shall include realized gains and losses with respect to Hedging Arrangements in connection with monthly settlements in the ordinary course of business, but shall not otherwise include realized gains and losses in connection with early hedge unwinds or terminations, and Consolidated EBITDAX shall also not include unrealized marked-to-market gains and losses with respect to Hedging Arrangements.

22 For any Test Period ending on or before March 31, 2018, Consolidated EBITDAX shall be deemed to be equal to (a) for the Text Period ended on September 30, 2017, Consolidated EBITDAX for the fiscal quarter ended on such date multiplied by four (4); (b) for the Test Period ended on December 31, 2017, Consolidated EBITDAX for the two fiscal quarters ended on such date, multiplied by two (2); and (c) for the Test Period ended on March 31, 2019, Consolidated EBITDAX for the three fiscal quarters ended on such date multiplied by four-thirds (4/3).

23 Items (ii) – (vii) shall be included without duplication and to the extent deducted in determining Consolidated Net Income.

24 Item (viii) shall be deducted to the extent included in determining Consolidated Net Income.

25 Resulting from extraordinary, non-recurring events or circumstances for such period.

26 Resulting from any provision for the reduction in the carrying value of assets recorded in accordance with GAAP for such period and non-cash charges resulting from the requirements of ASC 410, 718 and 815.

27 Not to exceed $2,500,000.

28 Non-cash income shall include (a) non-cash income resulting from extraordinary, non-recurring events or circumstances for such period and (b) all other non-cash items of income which were included in determining consolidated Net Income (including non-cash income resulting from the requirements of ASC 410, 718 and 815).

29 To be included only to the extent permitted in accordance with Section 7.7 of the Credit Agreement.

Calculation of Consolidated Net Tangible Assets:

Consolidated Net Tangible Assets = (i) – (ii) – (iii) [30]		=
(i)	total consolidated assets[31]	=
(ii)	outstanding liabilities	=
(iii)	intangible assets[32]	=

30 Items (i)-(iii) to be determined, in each case, in accordance with GAAP.

31 For the Credit Parties.

32 Such as goodwill, patents and trademarks.

SCHEDULE II
LEASE OPERATING STATEMENTS

Exhibit B – Form of Compliance Certificate
Schedule II - Lease Operating Statements

SCHEDULE III
MATERIAL CHANGES TO PRODUCTION

Exhibit B – Form of Compliance Certificate
Schedule III - Material Changes to Production

SCHEDULE IV
SALES OF OIL AND GAS PROPERTIES
(to which Proven Reserves are attributable)

Exhibit B – Form of Compliance Certificate
Schedule IV - Sales of Oil and Gas Properties

SCHEDULE V
HEDGING ARRANGEMENTS

Exhibit B – Form of Compliance Certificate
Schedule V - Hedging Arrangements

SCHEDULE VI
CREDIT SUPPORT AGREEMENTS

Exhibit B – Form of Compliance Certificate
Schedule VI - Credit Support Agreements

SCHEDULE VII
SECTION 6.15(b) CALCULATIONS

See attached.

EXHIBIT C
FORM OF GUARANTY AGREEMENT

[PROVIDED SEPARATELY]

Exhibit C – Form of Guaranty Agreement

EXHIBIT C
FORM OF GUARANTY AGREEMENT

This Guaranty Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, this " Guaranty") is executed by each of the undersigned (individually a "Guarantor" and collectively, the "Guarantors"), in favor of Wells Fargo Bank, National Association, as the administrative agent (in such capacity, the "Administrative Agent") for the benefit of the Secured Parties (as defined in the Credit Agreement referred to herein) and as the issuing lender (in such capacity, the "Issuing Lender").

INTRODUCTION

A. This Guaranty is given in connection with that certain Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, the lenders party thereto from time to time (individually, a "Lender" and collectively, the "Lenders"), the Administrative Agent and the Issuing Lender.

B. Each Guarantor (other than the Borrower, as a Guarantor) is an Affiliate of the Borrower, and the Borrower, as a Guarantor, is an Affiliate of each other Guarantor, and (i) the transactions contemplated by the Credit Agreement and the other Credit Documents, (ii) the Hedging Arrangements entered into by any Guarantor with a Swap Counterparty, and (iii) the Banking Services provided by any Banking Services Provider to any Guarantor, each are (a) in furtherance of such Affiliate's limited liability company or corporate purposes, (b) necessary or convenient to the conduct, promotion or attainment of such Affiliate's business, and (c) for such Affiliate's direct or indirect benefit.

C. Each Guarantor is executing and delivering this Guaranty (i) to induce the Lenders to provide and to continue to provide Advances under the Credit Agreement, (ii) to induce the Issuing Lender to provide and to continue to provide Letters of Credit under the Credit Agreement, and (iii) intending it to be a legal, valid, binding, enforceable and continuing obligation of such Guarantor.

NOW, THEREFORE, in consideration of the premises, the Administrative Agent and each Guarantor hereby agrees as follows:

Section 1. Definitions. All capitalized terms not otherwise defined in this Guaranty, including those in the preamble and introduction above, that are defined in the Credit Agreement shall have the meanings assigned to such terms by the Credit Agreement. As used herein, the term "Guarantor" includes the Borrower as a guarantor of Guaranteed Obligations hereunder, and the term "Borrower" refers to such entity in its capacity other than as a guarantor hereunder.

Section 2. Guaranty.

(a) Each Guarantor hereby absolutely, unconditionally and irrevocably guarantees the punctual payment and performance, when due, whether at stated maturity, by acceleration or otherwise, of all Secured Obligations other than any thereof for which it is primarily liable (collectively, the "Guaranteed Obligations"); provided, however, that as used herein "Guaranteed Obligations" shall not include the Excluded Swap Obligations. Without limiting the generality of the foregoing, each Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by any other Credit Party to the Administrative Agent, the Issuing Lender or any Lender under the Credit Documents and by any other Credit Party to a Swap Counterparty, Banking Services Provider, or any other Secured Party but for the fact that they are unenforceable or not allowable due to insolvency or the existence of a bankruptcy, reorganization or similar proceeding involving any other Credit Party. Notwithstanding the foregoing, the Guaranteed Obligations of any Guarantor shall not include the Excluded Swap Obligations of such Guarantor.

(b) In order to provide for just and equitable contribution among the Guarantors, the Guarantors agree that in the event a payment shall be made on any date under this Guaranty by any Guarantor (the "Funding Guarantor"), each other Guarantor (each a "Contributing Guarantor") shall indemnify the Funding Guarantor in an amount equal to the amount of such payment, in each case multiplied by a fraction the numerator of which shall be the net worth of the Contributing Guarantor as of such date and the denominator of which shall be the aggregate net worth of all the Contributing Guarantors together with the net worth of the Funding Guarantor as of such date. Any Contributing Guarantor making any payment to a Funding Guarantor pursuant to this Section 2(b) shall be subrogated to the rights of such Funding Guarantor to the extent of such payment.

(c) Anything contained in this Guaranty to the contrary notwithstanding, the obligations of each Guarantor under this Guaranty on any date shall be limited to a maximum aggregate amount equal to the largest amount that would not, on such date, render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of the Bankruptcy Code of the United States or any applicable provisions of comparable laws relating to bankruptcy, insolvency, or reorganization, or relief of debtors (collectively, the "Fraudulent Transfer Laws"), but only to the extent that any Fraudulent Transfer Law has been found in a final non-appealable judgment of a court of competent jurisdiction to be applicable to such obligations as of such date, in each case:

(i) after giving effect to all liabilities of such Guarantor, contingent or otherwise, that are relevant under the Fraudulent Transfer Laws, but specifically excluding:

(A) any liabilities of such Guarantor in respect of intercompany indebtedness to other Affiliates of the Borrower to the extent that such indebtedness would be discharged in an amount equal to the amount paid by such Guarantor hereunder; and

(B) any liabilities of such Guarantor under this Guaranty; and

(ii) after giving effect as assets to the value (as determined under the applicable provisions of the Fraudulent Transfer Laws) of any rights to subrogation, reimbursement, indemnification or contribution of such Guarantor pursuant to applicable law or pursuant to the terms of any agreement (including any such right of contribution under Section 2(b)).

Section 3. Guaranty Absolute. Each Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Credit Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Secured Party with respect thereto but subject to Section 2(c) above. The obligations of each Guarantor under this Guaranty are independent of the Guaranteed Obligations, and a separate action or actions may be brought and prosecuted against a Guarantor to enforce this Guaranty, irrespective of whether any action is brought against any other Guarantor or any other Person or whether any other Guarantor or any other Person is joined in any such action or actions. The liability of each Guarantor under this Guaranty shall be irrevocable, absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives, to the extent not prohibited by applicable law, any defenses it may now or hereafter have (other than a defense of payment or performance) in any way relating to, any or all of the following:

(a) any lack of validity or enforceability of any Credit Document or any agreement or instrument relating thereto or any part of the Guaranteed Obligations being irrecoverable;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to departure from any Credit Document or any agreement or instrument relating to Hedging Arrangements with a Swap Counterparty, or agreement relating to Banking Services with a Banking Services Provider, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to the Borrower or otherwise;

(c) any taking, exchange, release or non-perfection of any Lien on any collateral, or any taking, release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations;

(d) any manner of application of collateral, or proceeds thereof, to all or any of the Guaranteed Obligations, or any manner of sale or other disposition of any collateral for all or any of the Guaranteed Obligations or any other obligations of any other Person under the Credit Documents or any other assets of any Guarantor;

(e) any change, restructuring or termination of the corporate, limited liability company, or partnership structure or existence of any Guarantor;

(f) any failure of any Secured Party to disclose to any Guarantor any information relating to the business, condition (financial or otherwise), operations, Properties or prospects of any Person now or in the future known to the Administrative Agent, the Issuing Lender, any Lender or any other Secured Party (and each Guarantor hereby irrevocably waives any duty on the part of any Secured Party to disclose such information);

(g) any signature of any officer of any Guarantor being mechanically reproduced in facsimile or otherwise; or

(h) any other circumstance or any existence of or reliance on any representation by any Secured Party that might otherwise constitute a defense available to, or a discharge of any Guarantor or any other guarantor, surety or other Person, other than the payment in full, in cash, of the Guaranteed Obligations.

Section 4. Continuation and Reinstatement, Etc. Each Guarantor agrees that, to the extent that payments of any of the Guaranteed Obligations are made, or any Secured Party receives any proceeds of collateral, and such payments or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, or otherwise required to be repaid, then to the extent of such repayment the Guaranteed Obligations shall be reinstated and continued in full force and effect as of the date such initial payment or collection of proceeds occurred. **THE LIABILITIES OF EACH GUARANTOR AS SET FORTH IN THIS SECTION 4 SHALL SURVIVE THE TERMINATION OF THIS GUARANTY.**

Section 5. Waivers and Acknowledgments.

(a) Each Guarantor, to the extent not prohibited by applicable law, hereby waives promptness, diligence, presentment, notice of acceptance and any other notice with respect to any of the Guaranteed Obligations and this Guaranty and any requirement that any Secured Party protect, secure, perfect or insure any Lien or any Property or exhaust any right or take any action against the Borrower or any other Person or any collateral.

(b) Each Guarantor, to the extent not prohibited by applicable law, hereby irrevocably waives any right to revoke this Guaranty, and acknowledges that this Guaranty is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

(c) Each Guarantor acknowledges that it will receive substantial direct or indirect benefits from (i) the financing arrangements involving the Borrower or any Guarantor contemplated by the Credit Documents, (ii) the Hedging Arrangements of any Guarantor with a Swap Counterparty, and (iii) the Banking Services provided to any Guarantor, and that the waivers set forth in this Guaranty are knowingly made in contemplation of such benefits.

Section 6. Subrogation and Subordination.

(a) No Guarantor will exercise any rights that it may now have or hereafter acquire against any other Person to the extent that such rights arise from the existence, payment, performance or enforcement of such Guarantor's obligations under this Guaranty or any other Credit Document, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Secured Party against any other Person, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any other Person, directly or indirectly, in cash or other Property or by set-off or in any other manner, payment or security on account of such claim, remedy or right, unless and until the Payment in Full of Obligations. If any amount shall be paid to a Guarantor in violation of the preceding sentence at any time prior to or on the date of the Payment in Full of Obligations, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Administrative Agent to be credited and applied to the Guaranteed Obligations and any and all other amounts payable by the Guarantors under this Guaranty, whether matured or unmatured, in accordance with the terms of the Credit Documents.

(b) Each Guarantor agrees that, until after the Payment in Full of Obligations, all Subordinated Guarantor Obligations (as hereinafter defined) are and shall be subordinate and inferior in rank, preference and priority (in liquidation, dissolution, bankruptcy, reorganization, or otherwise) to all obligations of such Guarantor in respect of the Guaranteed Obligations hereunder, and such Guarantor shall, if requested by the Administrative Agent, execute a subordination agreement reasonably satisfactory to the Administrative Agent to more fully set out the terms of such subordination, it being understood that unless an Event of Default has occurred and is continuing, payments and prepayments in respect of such Subordinated Guarantor Obligations may be made from time to time. Each Guarantor agrees that none of the Subordinated Guarantor Obligations shall be secured by a Lien or security interest on any assets of such Guarantor or any ownership interests in any Subsidiary of such Guarantor. "Subordinated Guarantor Obligations" means any and all obligations and liabilities of a Guarantor owing to any other Guarantor, direct or contingent, due or to become due, now existing or hereafter arising, including, without limitation, all future advances, with interest, attorneys' fees, expenses of collection and costs.

Section 7. Representations and Warranties. Each Guarantor hereby represents and warrants as follows:

(a) There are no conditions precedent to the effectiveness of this Guaranty. Such Guarantor benefits from executing this Guaranty.

(b) Such Guarantor has, independently and without reliance upon the Administrative Agent, any Lender or any other Secured Party, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Guaranty, and such Guarantor has established adequate means of obtaining from the Borrower and each other relevant Person on a continuing basis information pertaining to, and is now and on a continuing basis will be completely familiar with, the business, condition (financial and otherwise), operations, Properties and prospects of the Borrower and each other relevant Person.

(c) The obligations of such Guarantor under this Guaranty are the valid, binding and legally enforceable obligations of such Guarantor, (except as limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws at the time in effect affecting the rights of creditors generally and (ii) general principles of equity whether applied by a court of law or equity), and the execution and delivery of this Guaranty by such Guarantor has been duly and validly authorized in all respects by all requisite corporate, limited liability company or partnership actions, as applicable, on the part of such Guarantor, and the Person who is executing and delivering this Guaranty on behalf of such Guarantor has full power, authority and legal right to so do, and to observe and perform all of the terms and conditions of this Guaranty on such Guarantor's part to be observed or performed.

Section 8. Right of Set-Off. Upon the occurrence and while there is continuing any Event of Default, any Lender or the Administrative Agent, the Issuing Lender and any other Secured Party is hereby authorized at any time, to the fullest extent permitted by law, to set-off

and apply any deposits (general or special, time or demand, provisional or final) and other indebtedness owing by such Secured Party to the account of each Guarantor against any and all of the obligations of the Guarantors under this Guaranty, irrespective of whether or not such Secured Party shall have made any demand under this Guaranty and although such obligations may be contingent and unmatured or are owed to another branch or office of a Secured Party different from the branch or office holding such deposit or obligated on such indebtedness. Such Secured Party shall promptly notify the affected Guarantor after any such set-off and application is made, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Secured Parties under this Section 8 are in addition to other rights and remedies (including, without limitation, other rights of set-off) which any Secured Party may have.

Section 9. Amendments, Etc. No amendment or waiver of any provision of this Guaranty and no consent to any departure by any Guarantor therefrom shall in any event be effective, except to the extent permitted by Section 10.3 of the Credit Agreement, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 10. Notices, Etc. All notices and other communications provided for hereunder shall be sent in the manner provided for in Section 10.9 of the Credit Agreement.

Section 11. No Waiver: Remedies. No failure on the part of the Administrative Agent or any other Secured Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 12. Continuing Guaranty: Assignments under the Credit Agreement. This Guaranty is a continuing guaranty and shall (a) remain in full force and effect until the Payment in Full of Obligations, (b) be binding upon each Guarantor and its successors and assigns, (c) inure to the benefit of and be enforceable by the Administrative Agent, each Lender and the Issuing Lender and their respective successors, and, in the case of transfers and assignments made in accordance with the Credit Agreement, transferees and assigns, and (d) inure to the benefit of and be enforceable by each Secured Party and each of its successors, transferees and assigns to the extent such successor, transferee or assign also falls within the definition of Secured Party. Without limiting the generality of the foregoing clause (c), subject to Section 10.7 of the Credit Agreement, any Lender may assign or otherwise transfer all or any portion of its rights and obligations under the Credit Agreement (including, without limitation, all or any portion of its Commitment, the Advances owing to it and the Note or Notes held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise, subject, however, in all respects to the provisions of the Credit Agreement. Each Guarantor acknowledges that upon any Person becoming a Lender, the Administrative Agent or the Issuing Lender in accordance with the Credit Agreement, such Person shall be entitled to the benefits hereof.

Section 13. Governing Law; Service of Process. This Guaranty shall be deemed a contract under, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to conflicts of laws principles (other than Sections 5-1401 and 5- 1402 of the General Obligations Law of the State of New York). Each Guarantor hereby agrees that service of copies of the summons and complaint and any other process which may be served in any such action or proceeding may be made by mailing or delivering a copy of such process to such Guarantor at the address set forth for the Credit Parties in the Credit Agreement. Nothing in this Section shall affect the rights of any Lender to serve legal process in any other manner permitted by the law or affect the right of any Lender to bring any action or proceeding against any Guarantor or its Property in the courts of any other jurisdiction.

Section 14. Submission to Jurisdiction. Each Guarantor irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, the Issuing Lender or any Related Party of the foregoing in any way relating to this Guaranty or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent, any Lender, or the Issuing Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

Section 15. Waiver of Jury. THE GUARANTORS HEREBY ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED BY AND HAVE CONSULTED WITH COUNSEL OF THEIR CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTY OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 16. **INDEMNIFICATION. EACH GUARANTOR SHALL INDEMNIFY THE ADMINISTRATIVE AGENT (AND ANY SUB-AGENT THEREOF), EACH LENDER, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (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 PERSON (INCLUDING THE BORROWER OR ANY OTHER CREDIT PARTY) OTHER THAN SUCH INDEMNITEE AND ITS RELATED PARTIES ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (I) THE**

EXECUTION OR DELIVERY OF THIS GUARANTY, ANY OTHER CREDIT DOCUMENT, ANY HEDGING ARRANGEMENT WITH A SWAP COUNTERPARTY, OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, (II) ANY ADVANCE OR LETTER OF CREDIT OR THE USE OR PROPOSED USE OF THE PROCEEDS THEREFROM (INCLUDING ANY REFUSAL BY THE ISSUING LENDER TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT), (III) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY THE PARENT OR ITS SUBSIDIARIES, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO ANY GUARANTOR, OR (IV) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR BY THE PARENT, THE BORROWER OR ANY OTHER CREDIT PARTY, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE APPLICABLE 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) CONSTITUTE ATTORNEYS' FEES, EXPENSES AND CHARGES FOR ANY COUNSEL OTHER THAN (A) ONE PRIMARY COUNSEL OF THE ADMINISTRATIVE AGENT, THE LENDERS, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES (TAKEN AS A WHOLE), (B) IF NECESSARY, A SINGLE FIRM OF LOCAL COUNSEL IN EACH APPROPRIATE JURISDICTION, AND (C) OTHER COUNSEL IF SUCH REPRESENTATION BY A SINGLE COUNSEL WOULD BE INAPPROPRIATE DUE TO THE EXISTENCE OF AN ACTUAL OR REASONABLY PERCEIVED CONFLICT OF INTEREST, (Y) 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'S OBLIGATIONS HEREUNDER OR UNDER ANY OTHER CREDIT DOCUMENT OR HEDGING ARRANGEMENT, AS APPLICABLE, IF THE PARENT, THE BORROWER OR SUCH CREDIT PARTY HAS OBTAINED A FINAL AND NONAPPEALABLE JUDGMENT IN ITS FAVOR ON SUCH CLAIM AS DETERMINED BY A COURT OF COMPETENT JURISDICTION, OR (Z) RELATE TO ANY PROCEEDING SOLELY BETWEEN OR AMONG INDEMNIFIED PARTIES OTHER THAN (A) CLAIMS AGAINST EITHER THE ADMINISTRATIVE AGENT OR THE LEAD ARRANGERS OR THEIR RESPECTIVE AFFILIATES IN THEIR CAPACITY OR IN FULFILLING THEIR ROLE AS THE ADMINISTRATIVE AGENT OR LEAD ARRANGERS OR ANY OTHER SIMILAR ROLE UNDER THE CREDIT DOCUMENTS (EXCLUDING THE ROLE AS A LENDER) AND (B) CLAIMS ARISING OUT OF ANY ACT OR OMISSION ON THE PART

OF THE BORROWER OR ANY OF THE BORROWER'S AFFILIATES. THIS SECTION 16 SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM. THE LIABILITIES OF EACH GUARANTOR AS SET FORTH IN THIS SECTION 16 SHALL SURVIVE THE TERMINATION OF THIS GUARANTY.

Section 17. Additional Guarantors. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, Affiliates of the Borrower that were not in existence on the date of the Credit Agreement are required to enter into this Guaranty as a Guarantor within the time period specified in the Credit Agreement. Upon execution and delivery after the date hereof by the Administrative Agent and such Affiliatae of an instrument in the form of Annex 1, such Subsidiary shall become a Guarantor hereunder with the same force and effect as if originally named as a Guarantor herein. The execution and delivery of any instrument adding an additional Guarantor as a party to this Guaranty shall not require the consent of any other Guarantor hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party to this Guaranty.

Section 18. USA Patriot Act. Each Secured Party that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any other Secured Party) hereby notifies each Guarantor that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies such Guarantor, which information includes the name and address of such Guarantor and other information that will allow such Secured Party or the Administrative Agent, as applicable, to identify such Guarantor in accordance with the Act. Following a request by any Secured Party, each Guarantor shall promptly furnish all documentation and other information that such Secured Party reasonably requests in order to comply with its ongoing obligations under the applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

Section 19. Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Credit Party to honor all of its obligations under this Guaranty in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 19 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 19, or otherwise under this Guaranty, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until the Payment in Full of Obligations. Each Qualified ECP Guarantor intends that this Section 19 constitute, and this Section 19 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Credit Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

THIS GUARANTY AND THE OTHER CREDIT DOCUMENTS, AS DEFINED IN THE CREDIT AGREEMENT REFERRED TO IN THIS GUARANTY, REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[Remainder of this page intentionally left blank.]

Exhibit C – Form of Guaranty Agreement

Each Guarantor has caused this Guaranty to be duly executed as of the date first above written.

GUARANTOR:

BERRY PETROLEUM COMPANY, LLC

By: _____
Name:
Title:

SUPPLEMENT NO. dated as of (the "Supplement"), to the Guaranty Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Guaranty Agreement"), executed by Berry Petroleum Company, LLC and Berry Petroleum Corporation, (the "Guarantors") and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent") for the benefit of the Secured Parties (as defined in the Credit Agreement referred to herein).

A. Reference is made to the Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation, the lenders from time to time party thereto (the "Lenders"), the Administrative Agent, and Wells Fargo Bank, National Association, as the issuing lender (the "Issuing Lender").

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Guaranty Agreement or the Credit Agreement, as applicable.

C. The Guarantors have entered into the Guaranty Agreement in order to induce the Lenders to make Advances and the Issuing Lender to issue Letters of Credit. Section 17 of the Guaranty Agreement provides that additional Affiliates of the Borrower may become Guarantors under the Guaranty Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Affilaite of the Borrower (the "New Guarantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Guarantor under the Guaranty Agreement in order to induce the Lenders to make additional Advances and the Issuing Lender to issue additional Letters of Credit and as consideration for Advances previously made and Letters of Credit previously issued.

Accordingly, the Administrative Agent and the New Guarantor agree as follows:

SECTION 1. In accordance with Section 17 of the Guaranty Agreement, the New Guarantor by its signature below becomes a Guarantor under the Guaranty Agreement with the same force and effect as if originally named therein as a Guarantor and the New Guarantor hereby (a) agrees to all the terms and provisions of the Guaranty Agreement applicable to it as a Guarantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Guarantor thereunder are true and correct in all material respects on and as of the date hereof (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof). Each reference to a "Guarantor" in the Guaranty Agreement shall be deemed to include the New Guarantor. The Guaranty Agreement is hereby incorporated herein by reference.

SECTION 2. The New Guarantor represents and warrants to the Administrative Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it by all requisite corporate, limited liability company or partnership action and

constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

SECTION 3. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Administrative Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Guarantor and the Administrative Agent. Delivery of an executed signature page to this Supplement by facsimile or other electronic transmission shall be as effective as delivery of a manually executed counterpart of this Supplement.

SECTION 4. Except as expressly supplemented hereby, the Guaranty Agreement shall remain in full force and effect.

SECTION 5. This Supplement shall be deemed a contract under, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to conflicts of laws principles (other than Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York). The New Guarantor hereby agrees that service of copies of the summons and complaint and any other process which may be served in any such action or proceeding may be made by mailing or delivering a copy of such process to the New Guarantor at the address set forth on the signature page to this Supplement. Nothing in this Section shall affect the rights of any Lender to serve legal process in any other manner permitted by the law or affect the right of any Lender to bring any action or proceeding against the New Guarantor or its Property in the courts of any other jurisdiction.

SECTION 6. The New Guarantor hereto hereby irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, the Issuing Lender or any Related Party of the foregoing in any way relating to this Agreement or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Supplement or in any other Loan Document shall affect any right that the Administrative Agent, any Lender, or the Issuing Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

SECTION 7. THE NEW GUARANTOR HEREBY ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY AND HAS CONSULTED WITH COUNSEL OF ITS CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 8. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Guaranty Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision hereof in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 9. All communications and notices hereunder shall be in writing and given as provided in Section 10 of the Guaranty Agreement.

THIS SUPPLEMENT, THE GUARANTY AGREEMENT AND THE OTHER CREDIT DOCUMENTS, AS DEFINED IN THE CREDIT AGREEMENT REFERRED TO IN THIS SUPPLEMENT, REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the New Guarantor and the Administrative Agent have duly executed this Supplement to the Guaranty Agreement as of the day and year first above written.

[Name of New Guarantor]

By: _____
Name: _____
Title: _____

Address for New Guarantor:

_____
_____

WELLS FARGO BANK,
NATIONAL ASSOCIATION,
as Administrative Agent

By: _____
Name: _____
Title: _____

EXHIBIT D
FORM OF MORTGAGE

[PROVIDED SEPARATELY]

Exhibit D – Form of Mortgage

EXHIBIT D
FORM OF MORTGAGE

DEED OF TRUST, SECURITY AGREEMENT, FINANCING STATEMENT AND ASSIGNMENT OF PRODUCTION AND FIXTURE FILING

A CARBON, PHOTOGRAPHIC, FACSIMILE, OR OTHER REPRODUCTION OF THIS INSTRUMENT IS SUFFICIENT AS A FINANCING STATEMENT.

THIS INSTRUMENT CONTAINS AFTER-ACQUIRED PROPERTY AND FUTURE ADVANCE PROVISIONS.

THIS INSTRUMENT COVERS THE INTEREST OF MORTGAGOR IN MINERALS OR THE LIKE (INCLUDING OIL AND GAS) BEFORE EXTRACTION AND THE SECURITY INTEREST CREATED BY THIS INSTRUMENT ATTACHES TO SUCH MINERALS AS EXTRACTED AND TO THE ACCOUNTS RESULTING FROM THE SALE THEREOF AT THE WELLHEAD. THIS INSTRUMENT COVERS THE INTEREST OF MORTGAGOR IN FIXTURES AND GOODS WHICH ARE OR ARE TO BECOME FIXTURES ON THE REAL/IMMOVABLE PROPERTY DESCRIBED HEREIN AND IT IS TO BE FILED FOR RECORD AS A FIXTURE FILING, AMONG OTHER PLACES, IN THE REAL ESTATE RECORDS OR COMPARABLE RECORDS OF THE RECORDERS OF THE COUNTIES LISTED ON EXHIBIT A HERETO. PRODUCTS OF THE COLLATERAL ARE ALSO COVERED.

THIS INSTRUMENT IS, AMONG OTHER THINGS, A FINANCING STATEMENT UNDER THE UNIFORM COMMERCIAL CODE COVERING AS-EXTRACTED COLLATERAL.

THE MORTGAGOR HAS AN INTEREST OF RECORD IN THE REAL ESTATE WHICH INTEREST IS DESCRIBED IN SECTION 1.12 OF THIS INSTRUMENT

A POWER OF SALE HAS BEEN GRANTED IN THIS DEED OF TRUST. A POWER OF SALE MAY ALLOW THE TRUSTEE OR MORTGAGEE TO TAKE THE COLLATERAL AND SELL IT WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON DEFAULT BY MORTGAGOR UNDER THIS DEED OF TRUST

FROM

BERRY PETROLEUM COMPANY, LLC
(Mortgagor, Debtor and Grantor)

TO
Joseph T. Rottinghaus, as Trustee for the benefit of

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Collateral Agent
(Mortgagee, Secured Party and Grantee)

July 31, 2017

For purposes of filing this Deed of Trust as a financing statement, the mailing address of Mortgagor is 5201 Truxtun Avenue, Bakersfield, California 93309, the state of its organization is Delaware, and its organizational number is 2072291; the mailing address of Mortgagee is Wells Fargo Bank, National Association, 1700 Lincoln St., Third floor – MAC C7300-033, Denver, Colorado 80203.

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This instrument, prepared by Lindsey E. Yasso, Bracewell LLP, 711 Louisiana, South Tower Pennzoil Place, Suite 2300, Houston, Texas 77002, (713) 221-1191, contains after-acquired property provisions and covers future advances and proceeds to the fullest extent allowed by applicable law.

ATTENTION RECORDING OFFICER: This instrument is a mortgage of both real and personal property and is, among other things, a Security Agreement and Financing Statement under the Uniform Commercial Code. This instrument creates a lien on rights in or relating to lands of Mortgagor which are described in Exhibit A hereto or in documents described in such Exhibit A.

RECORDED DOCUMENT SHOULD BE RETURNED TO:

BRACEWELL LLP
711 Louisiana, South Tower Pennzoil Place, Suite 2300
Houston, Texas 77002
Attn: Lindsey E. Yasso

DEED OF TRUST, SECURITY AGREEMENT, FINANCING STATEMENT AND ASSIGNMENT OF PRODUCTION AND FIXTURE FILING

THE STATE OF TEXAS §
§
COUNTY OF [•] §

This Deed of Trust, Security Agreement, Financing Statement and Assignment of Production and Fixture Filing (the "Deed of Trust") executed and delivered as of the date set forth in the acknowledgement below and made effective for all purposes as of the 31st day of July 2017 ("Effective Date"), and is executed and delivered by Berry Petroleum Company, LLC ("Mortgagor"), to Joseph T. Rottinghaus, as Trustee (in such capacity, the "Trustee") for the benefit of Wells Fargo Bank, National Association, in its capacity as the administrative agent under the Credit Agreement (as hereinafter defined) and on behalf of the Secured Parties (as defined in the Credit Agreement)(in such capacity, the "Mortgagee"). The addresses of Mortgagor, Mortgagee and the Trustee appear in Section 7.13 of this Deed of Trust.

RECITALS

A. This Deed of Trust is executed in connection with, and pursuant to the terms of, the Credit Agreement dated as of July 31, 2017 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Mortgagor, as borrower, Berry Petroleum Corporation, as parent guarantor (the "Parent"), the lenders party thereto from time to time (individually, a "Lender" and collectively, the "Lenders"), Mortgagee, and Wells Fargo Bank, National Association, as issuing lender (in such capacity, "Issuing Lender"). All capitalized terms not otherwise defined in this Deed of Trust that are defined in the Credit Agreement shall have the meanings assigned to such terms by the Credit Agreement.

B. Mortgagor will derive substantial direct or indirect benefit from (i) the transactions contemplated by the Credit Agreement and the other Credit Documents (ii) the Hedging Arrangements entered into by any Credit Party with a Swap Counterparty, (iii) any Banking Services agreements entered into by any Credit Party with a Banking Services Provider, and (iv) any other incurrence of Secured Obligations by a Credit Party.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Mortgagor (a) wishes to make this Deed of Trust in favor of Trustee for the benefit of the Mortgagee to secure the Obligations (as defined herein), and (b) hereby agrees as follows:

ARTICLE I
Definitions

1.1 "*Collateral*" means the Realty Collateral, Personalty Collateral and Fixture Collateral.

1.2 "*Contracts*" means all contracts, agreements, operating agreements, farm-out or farm-in agreements, sharing agreements, mineral purchase agreements, contracts for the purchase, exchange, transportation, processing or sale of Hydrocarbons, rights- of-way, easements, surface leases, equipment leases, permits, franchises, licenses, pooling or unitization agreements, and unit or pooling designations and orders now or hereafter affecting any of the Oil and Gas Properties, Operating Equipment, Fixture

Operating Equipment, or Hydrocarbons now or hereafter covered hereby, or which are useful or appropriate in drilling for, producing, treating, handling, storing, transporting or marketing oil, gas or other minerals produced from any of the Oil and Gas Properties, and all as such contracts and agreements as they may be amended, restated, modified, substituted or supplemented from time-to-time.

1.3 "*Event of Default*" shall have the meaning set forth in Article V hereof.

1.4 "*Fixture Collateral*" means all of Mortgagor's interest now owned or hereafter acquired in and to all Fixture Operating Equipment and all proceeds, products, renewals, increases, profits, substitutions, replacements, additions, amendments and accessions thereof, thereto or therefor; provided that "Fixture Collateral" shall not include any Excluded Property.

1.5 "*Fixture Operating Equipment*" means any of the items described in the first sentence of Section 1.9 which as a result of being incorporated into realty or structures or improvements located therein or thereon, with the intent that they remain there permanently, constitute fixtures under the laws of the state in which such equipment is located.

1.6 "*Hydrocarbons*" means oil, gas, coal seam gas, casinghead gas, drip gasoline, natural gasoline, condensate, distillate, and all other liquid and gaseous hydrocarbons produced or to be produced in conjunction therewith from a well bore and all products, by-products, and other substances derived therefrom or the processing thereof, and all other minerals and substances produced in conjunction with such substances, including sulfur, geothermal steam, water, carbon dioxide, helium, and any and all minerals, ores, or substances of value and the products and proceeds therefrom.

1.7 "*Obligations*" means

(a) The "Secured Obligations", as that term is defined in the Credit Agreement;

(b) All sums advanced or costs or expenses incurred by the Trustee on behalf of the Mortgagee, which are made or incurred pursuant to, or allowed by, the terms of this Deed of Trust; and

(c) All future advances or other extensions of credit, of whatever class or for whatever purpose, at any time hereafter made or given by Mortgagee or any of the other Secured Parties to the Parent, the Mortgagor or any Subsidiary of the Mortgagor under or pursuant to any Credit Document, whether or not the advances or value are given pursuant to a commitment, and whether or not the Parent or the Mortgagor is indebted to Mortgagee or any Lender at the time of such events.

Notwithstanding anything to the contrary contained herein, "Obligations" shall not include the Excluded Swap Obligations.

1.8 " *Oil and Gas Property*" or "*Oil and Gas Properties*" means (a) the oil and gas and/or oil, gas and mineral leases and leasehold interests, term assignments of Leases, non-participating royalty interests, fee mineral interests, term mineral interests, participation interests, back- in or carried working interests, rights of first refusal, options, subleases, farmouts, royalties, overriding royalties, net profits interests, production payments and similar interests or estates described in Exhibit A attached hereto and made a part hereof for all purposes and any reversionary or carried interests relating to any of the foregoing, (b) all production units, and drilling and spacing units (and the Properties covered thereby) which may affect all or any portion of such interests including those units which may be described or referred to in Exhibit A and any units created by agreement or designation or under orders, regulations, rules or other official acts of any Federal, state or other governmental body or agency having jurisdiction, (c) the surface leases described in Exhibit A attached hereto and made part hereof for all purposes, (d) any

and all non-consent interests owned or held by, or otherwise benefiting, Mortgagor and arising out of, or pursuant to, any of the Contracts, (e) any other interest in, to or relating to (i) all or any part of the land described in Exhibit A, the land relating to, or described in, the leases set forth in Exhibit A or in the documents described in Exhibit A, or (ii) any of the estates, property rights or other interests referred to above, (f) any instrument executed in amendment, correction, modification, confirmation, renewal or extension of the same, (g) any and all rights, titles and interests of Mortgagor (which are similar in nature to any of the rights, titles and interests described in (a) through (f) above) which are located on or under or which concern any Property or Properties located in counties referenced in Exhibit A hereto or counties in which a counterpart of this Deed of Trust is filed of record in the real property records of such county, and (h) all tenements, hereditaments and appurtenances now existing or hereafter obtained in connection with any of the aforesaid, including any rights arising under unitization agreements, orders or other arrangements, communitization agreements, orders or other arrangements or pooling orders, agreements or other arrangements.

1.9 "*Operating Equipment*" means all surface or subsurface machinery, equipment, facilities, supplies or other Property of whatsoever kind or nature now or hereafter located on any of the Oil and Gas Properties which are useful for the production, treatment, storage or transportation of Hydrocarbons, including all oil wells, gas wells, water wells, injection wells, salt water disposal wells, casing, tubing, rods, pumping units and engines, christmas trees, derricks, separators, gun barrels, flow lines, pipelines, tanks, gas systems (for gathering, treating and compression), water systems (for treating, disposal and injection), supplies, derricks, wells, power plants, poles, cables, wires, meters, processing plants, compressors, dehydration units, lines, transformers, starters and controllers, machine shops, tools, storage yards and equipment stored therein, buildings and camps, telegraph, telephone and other communication systems, roads, loading racks, shipping facilities and all additions, substitutes and replacements for, and accessories and attachments to, any of the foregoing. Operating Equipment shall not include (a) any items incorporated into realty or structures or improvements located therein or thereon in such a manner that they no longer remain personalty under the laws of the state in which such equipment is located, or (b) drilling rigs, automotive equipment, rental equipment or other personal property which may be located on any of the Oil and Gas Properties for the purpose of drilling a well or for other similar temporary uses.

1.10 "*Personalty Collateral*" means all of Mortgagor's interest now owned or hereafter acquired in and to (a) all Operating Equipment, (b) all Hydrocarbons severed and extracted from or attributable to the Oil and Gas Properties, including oil in tanks and all other "as-extracted" collateral from or attributable to the Oil and Gas Properties, (c) all accounts (including accounts resulting from the sale of Hydrocarbons at the wellhead), contract rights and general intangibles, including all accounts, contract rights and general intangibles now or hereafter arising regardless of whether any of the foregoing is in connection with the sale or other disposition of any Hydrocarbons or otherwise, including all Liens securing the same, (d) all accounts, contract rights and general intangibles now or hereafter arising regardless of whether any of the foregoing is in connection with or resulting from any of the Contracts, including all Liens securing the same, (e) all proceeds and products of the Realty Collateral and any other contracts or agreements, (f) all information concerning the Oil and Gas Properties and all wells located thereon, including abstracts of title, title opinions, geological and geophysical information and logs, lease files, well files, and other books and records (including computerized records and data), (g) any deposit or time accounts with Mortgagee or any Lender, including Mortgagor's operating bank account and all funds and investments therein, (h) any options or rights of first refusal to acquire any Realty Collateral, and (i) all proceeds, products, renewals, increases, profits, substitutions, replacements, additions, amendments and accessions of, to or for any of the foregoing; provided that "Personalty Collateral" shall not include any Excluded Property.

1.11 "*Property*" means any property of any kind, whether real, personal, or mixed and whether tangible or intangible.

1.12 "*Realty Collateral*" means all of Mortgagor's interest now owned or hereafter acquired in and to the Oil and Gas Properties, including any access rights, water and water rights, and all unsevered and unextracted Hydrocarbons (even though Mortgagor's interest therein may be incorrectly described in, or a description of a part or all of such interest may be omitted from, Exhibit A); provided that "Realty Collateral" shall not include any Excluded Property.

1.13 All other capitalized terms defined in the Credit Agreement which are used in this Deed of Trust and which are not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement. All meanings to defined terms, unless otherwise indicated, are to be equally applicable to both the singular and plural forms of the terms defined. Article, Section, Schedule, and Exhibit references are to Articles and Sections of and Schedules and Exhibits to this Deed of Trust, unless otherwise specified. All references to instruments, documents, contracts, and agreements are references to such instruments, documents, contracts, and agreements as the same may be amended, supplemented, and otherwise modified from time to time, unless otherwise specified. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Deed of Trust shall refer to this Deed of Trust as a whole and not to any particular provision of this Deed of Trust. As used herein, the term "including" means "including, without limitation,".

ARTICLE II
Creation of Security

2.1 **Conveyance and Grant of Lien**. In consideration of the advance or extension by the Secured Parties to the Mortgagor of the funds or credit constituting the Obligations (including the making of the Advances and the issuing of the Letters of Credit), and in further consideration of the mutual covenants contained herein, Mortgagor, by this Deed of Trust hereby GRANTS, CONVEYS, SELLS, TRANSFERS, ASSIGNS AND CONVEYS, subject to Permitted Liens, for the uses, purposes and conditions hereinafter set forth all of its right, title and interest in and to the Realty Collateral, the Personalty Collateral and the Fixture Collateral unto Trustee, and to his successor or successors or substitutes in trust, **WITH POWER OF SALE**, in trust to secure the payment and performance of the Obligations for the benefit of Mortgagee and the ratable benefit of the Secured Parties.

TO HAVE AND TO HOLD the Realty Collateral, the Personalty Collateral and Fixture Collateral unto the Trustee and his successors or substitutes in trust and to his and their successors and assigns forever for the benefit of the Secured Parties, together with all and singular the rights, hereditaments and appurtenances thereto in anywise appertaining or belonging, to secure payment of the Obligations and the performance of the covenants of Mortgagor contained in this Deed of Trust.

Subject, however, to the condition that none of the Mortgagee or the other Secured Parties shall be liable in any respect for the performance of any covenant or obligation of the Mortgagor in respect of the Collateral. Any reference in Exhibit A to the name of a well shall not be construed to limit the Collateral to the well bore of such well or in the proration units. It is Mortgagor's intention that this instrument covers Mortgagor's entire interest in the lands, leases, units and other interests set forth in Exhibit A.

Notwithstanding any provision in this Mortgage to the contrary, in no event is any Building (as defined in the applicable Flood Insurance Regulation) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Regulation) included in the definition of "Realty Collateral", "Personalty Collateral" or "Fixture Collateral" and no Building or Manufactured (Mobile) Home is hereby encumbered by this Mortgage. As used herein, "Flood Insurance Regulations" shall mean (a) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto,

(b) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statue thereto, (c) the National Flood Insurance Reform Act of 1994 (amending 42 USC 4001, et seq.), as the same may be amended or recodified from time to time, and (d) the Flood Insurance Reform Act of 2004 and any regulations promulgated thereunder.[1]

2.2 **Security Interest**. For the same consideration and to further secure the Obligations, Mortgagor hereby grants to Mortgagee for its benefit and the ratable benefit of the other Secured Parties a security interest in and to the Collateral.

2.3 **Assignment of Liens and Security Interests**. For the same consideration and to further secure the Obligations, Mortgagor hereby assigns and conveys to Mortgagee for its benefit and the benefit of the other Secured Parties the security interests held by Mortgagor arising under Section 9.343(a) of the Texas Business and Commerce Code and the Liens granted to Mortgagor pursuant to Section 9.343(d) of the Texas Business and Commerce Code attributable to the interest of Mortgagor in the Hydrocarbons.

ARTICLE III
Proceeds from Production

3.1 **Assignment of Production**.

(a) In order to further secure the Obligations, Mortgagor has assigned, transferred, conveyed and delivered and does hereby assign, transfer, convey and deliver unto Mortgagee, effective as of the Effective Date at 7:00 a.m. (Denver, Colorado time), U.S.A., all Hydrocarbons produced from, and which are attributable to, Mortgagor's interest, now owned or hereafter acquired, in and to the Oil and Gas Properties, or are allocated thereto pursuant to pooling or unitization orders, agreements or designations, and all proceeds therefrom.

(b) Subject to the provisions of subsection (f) below, all parties producing, purchasing, taking, possessing, processing or receiving any production from the Oil and Gas Properties, or having in their possession any such production, or the proceeds therefrom, for which they or others are accountable to Mortgagee by virtue of the provisions of this Section 3.1, are authorized and directed by Mortgagor to treat and regard Mortgagee as the assignee and transferee of Mortgagor and entitled in its place and stead to receive such Hydrocarbons and the proceeds therefrom.

(c) Subject to the provisions of subsection (f) below, Mortgagor directs and instructs each of such parties to pay to Mortgagee, for its benefit and the ratable benefit of the other Secured Parties, all of the proceeds of such Hydrocarbons until such time as such party has been furnished evidence that all of the Obligations have been paid and that the Lien evidenced hereby has been released; provided, however, that until Mortgagee shall have exercised the rights herein to instruct such parties to deliver such Hydrocarbons and all proceeds therefrom directly to Mortgagee, such parties shall be entitled to deliver such Hydrocarbons and all proceeds therefrom to Mortgagor for Mortgagor's use and enjoyment, and Mortgagor shall be entitled to execute division orders, transfer orders and other instruments as may be required to direct all proceeds to Mortgagor without the necessity of joinder by Mortgagee in such division orders, transfer orders or other instruments. Mortgagor agrees to perform all such acts, and to execute all such further assignments, transfers and division orders, and other instruments as may be reasonably required by Mortgagee or any party in order to have said revenues and proceeds so paid to Mortgagee. None of such parties shall have any responsibility for the application of any such proceeds received by Mortgagee. Subject to the provisions of subsection (f) below, Mortgagor authorizes Mortgagee to receive and collect all proceeds of such Hydrocarbons.

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[1] NTD: For purposes of the California deed of trust, buildings and other structures located at the same location as certain cogeneration facilities (that will be listed on an exhibit to such deed of trust) will not be excluded from the collateral pledged under such deed of trust.

(d) Subject to the provisions of subsection (f) below, Mortgagor will execute and deliver to Mortgagee any instruments Mortgagee may from time to time reasonably request for the purpose of effectuating this assignment and the payment to Mortgagee of the proceeds assigned.

(e) Neither the foregoing assignment nor the exercise by Mortgagee of any of its rights herein shall be deemed to make Mortgagee a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Oil and Gas Properties or the use, occupancy, enjoyment or operation of all or any portion thereof, unless and until Mortgagee, in person or by agent, assumes actual possession thereof, nor shall appointment of a receiver for the Oil and Gas Properties by any court at the request of Mortgagee or by agreement with Mortgagor or the entering into possession of the Oil and Gas Properties or any part thereof by such receiver be deemed to make Mortgagee a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Oil and Gas Properties or the use, occupancy, enjoyment or operation of all or any portion thereof.

(f) Notwithstanding anything to the contrary contained herein, so long as no Event of Default shall have occurred and is continuing, Mortgagor shall have the right to collect all revenues and proceeds attributable to the Hydrocarbons that accrue to the Oil and Gas Properties or the products obtained or processed therefrom, as well as any Liens and security interests securing any sales of said Hydrocarbons and to retain, use and enjoy same.

(g) Upon the occurrence and during the continuation of an Event of Default, Mortgagee may endorse and cash any and all checks and drafts payable to the order of Mortgagor or Mortgagee for the account of Mortgagor, received from or in connection with the proceeds of the Hydrocarbons affected hereby, and the same may be applied as provided herein. Mortgagee may execute any transfer or division orders in the name of Mortgagor or otherwise, with warranties and indemnities binding on Mortgagor; provided that Mortgagee shall not be held liable to Mortgagor for, nor be required to verify the accuracy of, Mortgagor's interests as represented therein.

(h) Subject to the provisions of subsection (f) above, Mortgagee shall have the right at Mortgagee's election and in the name of Mortgagor, or otherwise, to prosecute and defend any and all actions or legal proceedings deemed advisable by Mortgagee in order to collect such proceeds and to protect the interests of Mortgagee or Mortgagor, with all costs, expenses and attorneys' fees incurred in connection therewith being paid by Mortgagor, and Mortgagee shall endeavor to give written notice to Mortgagor of such election (although failure to provide such notice shall not waive Mortgagee's rights under this paragraph (h)). In addition, should any purchaser taking production from the Oil and Gas Properties fail to pay promptly to Mortgagee in accordance with this Article III, Mortgagee shall have the right to demand a change of connection and to designate another purchaser with whom a new connection may be made without any liability on the part of Mortgagee in making such election, so long as (i) ordinary care is used in the making thereof and, (ii) each agreement or other instrument relating to such purchaser's taking of such production does not prohibit Mortgagee from taking such action; provided, however, that if an Event of Default has occurred and is continuing, the immediately preceding clause (ii) shall not apply. If (x) Mortgagor fails to consent to such change of connection and (y) such change of connection is prohibited under each agreement or other instrument relating to such purchaser's taking of production, then, upon the failure of Mortgage to provide such consent, the entire amount of all the Obligations may, at the option of Mortgagee, be immediately declared to be due and payable and subject to foreclosure hereunder; provided, however, that if an Event of Default has occurred and is continuing, the immediately preceding clause (y) shall not apply.

(i) Without in any way limiting the effectiveness of the foregoing provisions, if Mortgagor receives any proceeds which under Section 3.1(c) are payable to Mortgagee, Mortgagor shall hold the same in trust and remit such proceeds, or cause them to be remitted, immediately, to Mortgagee.

3.2 **Application of Proceeds**. All payments received by Mortgagee pursuant to this Article III attributable to the interest of Mortgagor in and to the Hydrocarbons shall be applied by the Mortgagee as set forth in Section 7.6 of the Credit Agreement.

3.3 **Mortgagor's Payment Duties**. Except as provided in Section 7.18 hereof, nothing contained herein will limit Mortgagor's absolute duty to make payment of the Obligations regardless of whether the proceeds assigned by this Article III are sufficient to pay the same, and subject to the provisions of Section 3.2 above, the receipt by Mortgagee of proceeds from Hydrocarbons under this Deed of Trust will be in addition to all other security now or hereafter existing to secure payment of the Obligations.

3.4 **Liability of Mortgagee**. Mortgagee is hereby absolved from all liability for failure to enforce collection of any of such proceeds, and from all other responsibility in connection therewith except the responsibility to account to Mortgagor for proceeds actually received by Mortgagee.

3.5 **Actions to Effect Assignment**. Subject to the provisions of Section 3.1(f), following the occurrence and during the continuance of an Event of Default, Mortgagor covenants to cause all operators, pipeline companies, production purchasers and other remitters of said proceeds to pay promptly to Mortgagee the proceeds from such Hydrocarbons in accordance with the terms of this Deed of Trust, and to execute, acknowledge and deliver to said remitters such division orders, transfer orders, certificates and other documents as may be necessary, requested or proper to effect the intent of this assignment, in each case, within three Business Days of Mortgagee requesting Mortgagor to take such action; and Mortgagee shall not be required at any time, as a condition to its right to obtain the proceeds of such Hydrocarbons, to warrant its title thereto or to make any guaranty whatsoever. In addition, following the occurrence and during the continuance of an Event of Default, Mortgagor covenants to, within one Business Day of Mortgagee requesting Mortgagor to take such action, provide to Mortgagee the name and address of every such remitter of proceeds from such Hydrocarbons, together with a copy of the applicable division orders, transfer orders, sales contracts and governing instruments. All expenses incurred by the Trustee or Mortgagee in the collection of said proceeds shall be repaid promptly by Mortgagor; and prior to such repayment, such expenses shall be a part of the Obligations secured hereby. If under any existing Contracts for the sale of Hydrocarbons, other than division orders or transfer orders, any proceeds of Hydrocarbons are required to be paid by the remitter direct to Mortgagor so that under such existing agreements payment cannot be made of such proceeds to Mortgagee in the absence of foreclosure, Mortgagor's interest in all proceeds of Hydrocarbons under such existing Contracts shall, when received by Mortgagor, constitute trust funds in Mortgagor's hands for the benefit of the Mortgagee and shall, following the occurrence and during the continuance of an Event of Default, be immediately paid over to Mortgagee.

3.6 **Power of Attorney**. Without limitation upon any of the foregoing but subject to the provisions of Section 3.1(f), Mortgagor hereby designates and appoints Mortgagee as true and lawful agent and attorney-in-fact (with full power of substitution, either generally or for such periods or purposes as Mortgagee may from time to time prescribe), with full power and authority, for and on behalf of and in the name of Mortgagor, to execute, acknowledge and deliver all such division orders, transfer orders, certificates and other documents of every nature, with such provisions as may from time to time, in the opinion of Mortgagee, be necessary or proper to effect the intent and purpose of the assignment contained in this Article III; and Mortgagor shall be bound thereby as fully and effectively as if Mortgagor had personally executed, acknowledged and delivered any of the foregoing orders, certificates or documents.

The powers and authorities herein conferred on Mortgagee may be exercised by Mortgagee through any person who, at the time of exercise, is the president, a senior vice president or a vice president of Mortgagee. **The power of attorney conferred by this Section 3.6 is granted for valuable consideration and coupled with an interest and is irrevocable so long as Payment in Full of Obligations has not occurred.** Any Persons dealing with Mortgagee, or any substitute, shall be fully protected in treating the powers and authorities conferred by this Section 3.6 as continuing in full force and effect until advised by Mortgagee that Payment in Full of Obligations has occurred.

3.7 INCORPORATION OF INDEMNITY FROM CREDIT AGREEMENT. THE INDEMNITY CONTAINED IN SECTION 10.2 OF THE CREDIT AGREEMENT IS HEREBY CONFIRMED AND RESTATED, SUCH INDEMNITY, TOGETHER WITH ALL RELATED DEFINITIONS AND ANCILLARY PROVISIONS, BEING HEREBY INCORPORATED INTO THIS DEED OF TRUST BY REFERENCE, *MUTATIS MUTANDIS*, AS THOUGH SPECIFICALLY SET FORTH IN THIS SECTION AND APPLYING TO MORTGAGOR AS THE INDEMNIFYING PARTY.

ARTICLE IV
Mortgagor's Warranties and Covenants

4.1 **Payment of Obligations**. Mortgagor covenants that Mortgagor shall timely pay and perform the Obligations secured by this Deed of Trust.

4.2 **Representations and Warranties**. Mortgagor represents and warrants as follows:

(a) *Incorporation of Representations and Warranties from Credit Agreement*. The representations and warranties contained in Article IV of the Credit Agreement applicable to the Mortgagor or its Properties are hereby confirmed and restated, each such representation and warranty, together with all related definitions and ancillary provisions, being hereby incorporated into this Deed of Trust by reference as though specifically set forth in this Section.

(b) *Interest in Collateral*. Until the Payment in Full of Obligations or until this Mortgage is otherwise released in whole or in part pursuant to Section 7.4, subject to any actions that are permitted under the Credit Agreement, Mortgagor will preserve its interest in and title to the Collateral and will forever warrant and defend the same to Mortgagee and will forever warrant and defend the validity and priority of the lien hereof against the claims of all persons and parties whomsoever other than holders of Permitted Liens with respect to such Permitted Liens.

(c) *Refund Obligations*. Mortgagor has not collected any proceeds from the sale of Hydrocarbons produced from the Oil and Gas Properties which are subject to any material refund obligation.

(d) *Proceeds Suspense*. Except for Mortgagor's interests in certain Oil and Gas Properties, which Mortgagor represents do not constitute a material portion (with 5% or more being deemed material) of the present value of the Collateral and all other Properties of Mortgagor securing the Obligations, all proceeds from the sale of Mortgagor's interest in the Hydrocarbons from the Oil and Gas Properties are being received by Mortgagor in a timely manner and are not held in suspense for any reason.

(e) *Mortgagor's Address*. The address of Mortgagor's place of business, residence, chief executive office and office where Mortgagor keeps its records concerning accounts, contract rights and general intangibles is as set forth in Section 7.13, as such address may be changed in accordance with the Credit Agreement, and there has been no change in the location of Mortgagor's place of business,

residence, chief executive office and office where it keeps such records and no change of Mortgagor's name during the four months immediately preceding the date of this Deed of Trust. Mortgagor hereby represents and warrants that, as of the date hereof, its organizational number, the state of formation and the correct spelling of Mortgagor is as set forth on its signature page below.

4.3 **Further Assurances**.

(a) Except as permitted under the Credit Agreement, Mortgagor covenants that Mortgagor shall, so long as Payment in Full of Obligations has not occurred, execute and deliver such other and further instruments, and shall do such other and further acts requested by Mortgagee that are necessary to carry out more effectively the purposes of this Deed of Trust, including without limiting the generality of the foregoing, (i) prompt correction of any defect (other than Permitted Liens) in the execution or acknowledgment of this Deed of Trust, any written instrument comprising part or all of the Obligations, or any other document used in connection herewith; (ii) subject to Section 3.1(f), prompt execution and delivery of all division or transfer orders or other instruments which in Mortgagee's opinion are required to transfer to Mortgagee, for its benefit and the ratable benefit of the other Secured Parties, the assigned proceeds from the sale of Hydrocarbons from the Oil and Gas Properties; and (iii) prompt payment when due and owing of all taxes, assessments and governmental charges imposed on this Deed of Trust, or upon the interest of Mortgagee or the Trustee, except for any such taxes, assessments or charges that are being disputed by Mortgagor in accordance with the Credit Agreement.

(b) Except as permitted under the Credit Agreement, Mortgagor covenants that Mortgagor shall maintain and preserve the Lien and security interest herein created as an Acceptable Security Interest so long as Payment in Full of Obligations has not occurred.

4.4 **Operation of Oil and Gas Properties**. As long as Payment in Full of Obligations has not occurred, Mortgagor shall, at Mortgagor's own expense and at reasonable times and upon reasonable notice (unless an Event of Default has occurred and is continuing, in which case at all times and with no notice required):

(a) permit and do all things necessary to enable the Trustee and Mortgagee (through any of their respective agents and employees) to enter upon the Oil and Gas Properties for the purpose of investigating and inspecting the condition and operations of the Collateral in accordance with the terms of the Credit Agreement; and

(b) furnish to Mortgagee, upon request, copies of any Contracts;

provided, however, that, anything in this Section 4.4 to the contrary notwithstanding, Mortgagor, with respect to those Oil and Gas Properties which are operated by operators other than Mortgagor, shall not be obligated itself to perform undertakings performable only by such operators and which are beyond the control of Mortgagor.

4.5 **Recording**. Mortgagor shall promptly (at Mortgagor's own expense) take all actions necessary to permit Mortgagee to record, register, deposit and file this Deed of Trust and every other instrument in addition or supplement hereto, including applicable financing statements, in such offices and places within the state where the Collateral is located and in the state where the Mortgagor is registered and at such times and as often as may be necessary to preserve, protect and renew the Lien and security interest herein created as an Acceptable Security Interest on real or personal property as the case may be, and otherwise shall do and perform all matters or things necessary or expedient to be done or observed by reason of any Legal Requirement for the purpose of effectively creating, perfecting, maintaining and preserving the Lien and security interest created hereby in and on the Collateral.

ARTICLE V
Default

Any Event of Default under the terms of the Credit Agreement shall constitute an "*Event of Default*" under this Deed of Trust.

ARTICLE VI
Mortgagee's Rights

6.1 **Rights to Realty Collateral Upon Default**.

(a) *Operation of Property by Mortgagee*. Upon the occurrence and during the continuance of an Event of Default, and in addition to all other rights of Mortgagee, Mortgagee shall have the following rights and powers (but no obligation):

(i) To enter upon and take possession of any of the Realty Collateral to the extent that Mortgagor could do so or to the extent otherwise permitted by applicable law and exclude Mortgagor therefrom;

(ii) To hold, use, administer, manage and operate the Realty Collateral to the extent that Mortgagor could do so, and without any liability to Mortgagor in connection with such operations; and

(iii) To the extent that Mortgagor could do so, to collect, receive and receipt for all Hydrocarbons produced and sold from the Realty Collateral, to make repairs, to purchase machinery and equipment, to conduct workover operations, to drill additional wells, and to exercise every power, right and privilege of Mortgagor with respect to the Realty Collateral.

Mortgagee may designate any Person to act on its behalf in exercising the foregoing rights and powers. When and if the expenses of such operation and development (including costs of unsuccessful workover operations or additional wells) have been paid, and no Event of Default is continuing, the Realty Collateral shall be returned to Mortgagor (providing there has been no foreclosure sale).

(b) *Judicial Proceedings*. Upon the occurrence and during the continuance of an Event of Default, the Trustee and/or Mortgagee, in lieu of or in addition to exercising the power of sale granted herein, may proceed by a suit or suits, in equity or at law (i) for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, (ii) for the appointment of a receiver whether there is then pending any foreclosure hereunder or the sale of the Realty Collateral, or (iii) for the enforcement of any other appropriate legal or equitable remedy; and further, in lieu of the non-judicial power of sale hereafter given for Collateral located in the State of Texas, the Trustee may proceed by suit for a sale of the Realty Collateral.

(c) *Foreclosure by Private Power of Sale of Collateral*. Upon the occurrence and during the continuance of an Event of Default, the Trustee shall have the right and power to sell, as the Trustee may elect, all or a portion of the Collateral at one or more sales as an entirety or in parcels, in accordance with Section 51.002 of the Texas Property Code, as amended from time to time (or any successor provisions of Texas governing real property foreclosure sales) or with any applicable state law. Mortgagor hereby designates as Mortgagor's address for the purpose of notice the address set out in Section 7.13; provided that Mortgagor may by written notice to Mortgagee designate a different address

for notice purposes. Any purchaser or purchasers will be provided with a special warranty conveyance binding Mortgagor and Mortgagor's successors and assigns. Sale of a part of the Realty Collateral will not exhaust the power of sale, and sales may be made from time to time in accordance with this Section 6.1 until all of the Realty Collateral is sold or Payment in Full of Obligations has occurred.

(d) *Certain Aspects of Sale*. Mortgagee will have the right to become the purchaser at any foreclosure sale and to credit the then outstanding balance of the Obligations against the amount payable by Mortgagee as purchaser at such sale. Statements of fact or other recitals contained in any conveyance to any purchaser or purchasers at any sale made hereunder will constitute prima facie evidence of the occurrence of an Event of Default, any acceleration of the maturity of the Obligations, the advertisement and conduct of such sale in the manner provided herein, the appointment of any successor-Trustee hereunder and the truth and accuracy of all other matters stated therein. Mortgagor does hereby ratify and confirm all legal acts that the Trustee may do in carrying out the Trustee's duties and obligations under this Deed of Trust, and Mortgagor hereby irrevocably appoints Mortgagee to be the attorney-in-fact of Mortgagor and in the name and on behalf of Mortgagor, after the occurrence and during the continuance of an Event of Default, to execute and deliver any deeds, transfers, conveyances, assignments, assurances and notices which Mortgagor ought to execute and deliver and do and perform any and all such acts and things which Mortgagor ought to do and perform under the covenants herein contained and generally to use the name of Mortgagor in the exercise of all or any of the powers hereby conferred on Trustee. Upon any sale, whether under the power of sale hereby given or by virtue of judicial proceedings, it shall not be necessary for Trustee or any public officer acting under execution or by order of court, to have physically present or constructively in his possession any of the Collateral, and Mortgagor hereby agrees to deliver to the purchaser or purchasers at such sale on the date of sale the Collateral purchased by such purchasers at such sale and if it should be impossible or impracticable to make actual delivery of such Collateral, then the title and right of possession to such Collateral shall pass to the purchaser or purchasers at such sale as completely as if the same had been actually present and delivered.

(e) *Receipt to Purchaser*. Upon any sale made under the power of sale herein granted, the receipt of the Trustee will be sufficient discharge to the purchaser or purchasers at any sale for its purchase money, and such purchaser or purchasers, will not, after paying such purchase money and receiving such receipt of the Trustee, be obligated to see to the application of such purchase money or be responsible for any loss, misapplication or non-application thereof.

(f) *Effect of Sale*. Any sale or sales of the Realty Collateral in accordance with this Section 6.1 will operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of Mortgagor in and to the premises and the Realty Collateral sold, and will be a perpetual bar, both at law and in equity, against Mortgagor, Mortgagor's successors or assigns, and against any and all Persons claiming or who shall thereafter claim all or any of the Realty Collateral sold by, through or under Mortgagor, or Mortgagor's successors or assigns. Nevertheless, if requested by the Trustee so to do, Mortgagor shall join in the execution and delivery of all proper conveyances, assignments and transfers of the Property so sold. The purchaser or purchasers at the foreclosure sale will receive as incident to his, her, its or their own ownership, immediate possession of the Realty Collateral purchased and Mortgagor agrees that if Mortgagor retains possession of the Realty Collateral or any part thereof subsequent to such sale, Mortgagor will be considered a tenant at sufferance of the purchaser or purchasers and will be subject to eviction and removal by any lawful means, with or without judicial intervention, and all damages by reason thereof are hereby expressly waived by Mortgagor.

(g) *Application of Proceeds*. The proceeds of any sale of the Realty Collateral or any part thereof in accordance with this Section 6.1, whether under the power of sale herein granted and conferred or by virtue of judicial proceedings, shall either be, at the option of Mortgagee, applied at the time of receipt, or held by Mortgagee in the Cash Collateral Account as additional Collateral, and in either case, applied by the Mortgagee as set forth in Section 7.6 of the Credit Agreement.

(h) *Mortgagor's Waiver of Appraisement and Marshalling*. Mortgagor agrees, to the full extent that Mortgagor may lawfully so agree, that Mortgagor will not at any time insist upon or plead or in any manner whatever claim the benefit of any appraisement, valuation, stay, extension or redemption law, now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Deed of Trust, the absolute sale of the Collateral, including the Realty Collateral, or the possession thereof by any purchaser at any sale made pursuant to this Deed of Trust or pursuant to the decree of any court of competent jurisdiction; and Mortgagor, for Mortgagor and all who may claim through or under Mortgagor, hereby waives the benefit of all such laws and, to the extent that Mortgagor may lawfully do so under any applicable law, any and all rights to have the Collateral, including the Realty Collateral, marshaled upon any foreclosure of the Lien hereof or sold in inverse order of alienation. Mortgagor agrees that the Trustee may sell the Collateral, including the Realty Collateral, in part, in parcels or as an entirety as directed by Mortgagee.

6.2 **Rights to Personalty Collateral Upon Default**. Upon the occurrence and during the continuance of an Event of Default, Mortgagee or the Trustee may proceed against the Personalty Collateral in accordance with the rights and remedies granted herein with respect to the Realty Collateral, or will have all rights and remedies granted by the Uniform Commercial Code as in effect in Texas and this Deed of Trust. Upon the occurrence and during the continuance of an Event of Default, Mortgagee shall have the right to take possession of the Personalty Collateral, and for this purpose Mortgagee may enter upon any premises on which any or all of the Personalty Collateral is situated and, to the extent that Mortgagor could do so, take possession of and operate the Personalty Collateral or remove it therefrom. Mortgagee may require Mortgagor to assemble the Personalty Collateral and make it available to Mortgagee at a place to be designated by Mortgagee which is reasonably convenient to both parties. Unless the Personalty Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Mortgagee will send Mortgagor reasonable notice of the time and place of any public sale or of the time after which any private sale or other disposition of the Personalty Collateral is to be made. This requirement of sending reasonable notice will be met if such notice is mailed, postage prepaid, to Mortgagor at the address designated in Section 7.13 hereof (or such other address as has been designated as provided herein) at least ten days before the time of the sale or disposition. In addition to the expenses of retaking, holding, preparing for sale, selling and the like, Mortgagee will be entitled to recover attorney's fees and legal expenses as provided for in this Deed of Trust and in the writings evidencing the Obligations before applying the balance of the proceeds from the sale or other disposition toward satisfaction of the Obligations. Mortgagor will remain liable for any deficiency remaining after the sale or other disposition. Mortgagor hereby consents and agrees that any disposition of all or a part of the Collateral may be made without warranty of any kind whether expressed or implied.

6.3 **Rights to Fixture Collateral Upon Default**. Upon the occurrence and during the continuance of an Event of Default, Mortgagee may elect to treat the Fixture Collateral as either Realty Collateral or as Personalty Collateral (but not both) and proceed to exercise such rights as apply to the type of Collateral selected.

6.4 **Account Debtors**. Mortgagee may, in its discretion, after the occurrence and during the continuance of an Event of Default, (a) notify any account debtor on any accounts constituting Collateral to make payments directly to Mortgagee, (b) instruct any party described in Section 3.1(b) to deliver all Hydrocarbons assigned to Mortgagee as described in Section 3.1(a) and all proceeds therefrom directly to Mortgagee, and (c) contact such account debtors and other parties directly to verify information furnished by Mortgagor with respect to such account debtors and such accounts. Mortgagee shall not have any obligation to preserve any rights against prior parties.

6.5 **Resignation of Operator**. In addition to all rights and remedies under this Deed of Trust, the Credit Agreement, and any other Credit Document, at law and in equity, if any Event of Default shall occur and be continuing and Mortgagee, or its designee or representative, shall exercise any remedies under this Deed of Trust or any other Security Instrument with respect to any portion of the Realty Collateral (or any Credit Party shall transfer any Collateral "in lieu of" foreclosure), Mortgagee and the Lenders shall have the right to request that any operator of any Realty Collateral which is either a Credit Party or an Affiliate thereof resign as operator under the joint operating agreement applicable thereto; and no later than sixty (60) days after receipt by a Credit Party of any such request, such Credit Party or Affiliate shall resign (or cause such other party to resign) as operator of such Realty Collateral.

6.6 **Costs and Expenses**. All sums advanced or costs or expenses incurred by Mortgagee (either by it directly or on its behalf by the Trustee or any receiver appointed hereunder) in protecting and enforcing its rights hereunder shall constitute a demand obligation owing by Mortgagor to Mortgagee as part of the Obligations to the extent such sums, costs or expenses are required to be reimbursed pursuant to Section 10.1 of the Credit Agreement.

6.7 **Set-Off**. Upon the occurrence and during the continuance of any Event of Default, Mortgagee shall have the right to set-off any funds of Mortgagor in the possession of Mortgagee against any amounts then due by Mortgagor to Mortgagee pursuant to this Deed of Trust.

ARTICLE VII
Miscellaneous

7.1 **Successor Trustees**. The Trustee may resign in writing addressed to Mortgagee or be removed at any time with or without cause by an instrument in writing duly executed by Mortgagee. In case of the death, resignation or removal of the Trustee, a successor Trustee may be appointed by Mortgagee by instrument of substitution complying with any applicable requirements of law, and in the absence of any requirement, without other formality other than an appointment and designation in writing. The appointment and designation will vest in the named successor Trustee all the estate and title of the Trustee in all of the Collateral and all of the rights, powers, privileges, immunities and duties hereby conferred upon the Trustee. All references herein to the Trustee will be deemed to refer to any successor Trustee from time to time acting hereunder.

7.2 **Advances by Mortgagee or the Trustee.** Mortgagee and Trustee may from time-to-time perform any act which Mortgagor has agreed hereunder to perform and which Mortgagor shall fail to perform within the time periods required herein after giving effect to any applicable time periods and cure periods in the Credit Documents after receiving five (5) days prior written notice of the request to perform (it being understood that no such request need be given (a) after the occurrence and during the continuance of any Event of Default and after notice thereof by the Mortgagee or Trustee to Mortgagor or (b) if such failure to perform would have an adverse effect on the perfection of any security interest granted under this Deed of Trust or would have a material adverse effect on the value of the applicable Collateral) and the Mortgagee and Trustee may from time-to-time take any other action which the Mortgagee and Trustee deems necessary for the maintenance, preservation or protection of any of the Collateral or of its security interest therein, and the expenses of the Mortgagee and Trustee incurred in connection therewith shall be part of the Secured Obligations and shall be secured hereby.

7.3 **Defense of Claims.** Mortgagor agrees that (i) upon the occurrence and during the continuance of an Event of Default, any action or proceeding to enforce this Deed of Trust may be taken by Mortgagee or the Trustee either in Mortgagor's name or in Mortgagee's or Trustee's name, as applicable, as Mortgagee or the Trustee may deem necessary, and (ii) Mortgagor will, until the Payment in Full of Obligations, warrant and defend its title to the Collateral and the interests of Mortgagee and Trustee in the Collateral against any claim or demand of any Persons (other than Permitted Liens) which could reasonably be expected to materially adversely affect Mortgagor's title to, or Mortgagee's or the Trustee's right or interest in, such Collateral.

7.4 **Termination**. If Payment in Full of Obligations has occurred then all of the Collateral then subject to this Deed of Trust will revert to Mortgagor and the entire estate, right, title and interest of the Trustee and Mortgagee hereunder will thereupon cease; and Mortgagee in such case shall, upon the reasonable request of Mortgagor and the payment by Mortgagor of all reasonable out-of-pocket attorneys' fees and other expenses related thereto, deliver to Mortgagor proper instruments acknowledging satisfaction and full release of this Deed of Trust. Mortgagor shall be responsible for any recording fees.

7.5 **Renewals, Amendments and Other Security**. In the event that the Mortgagor is not the borrower under the Credit Agreement, without notice or consent of Mortgagor, renewals and extensions of the written instruments constituting part or all of the Obligations may be given at any time and amendments may be made to agreements relating to any part of such written instruments or the Collateral. In the event that the Mortgagor is not the borrower under the Credit Agreement, Mortgagee may take or hold other security for the Obligations without notice to or consent of Mortgagor. The acceptance of this Deed of Trust by Mortgagee shall not waive or impair any other security Mortgagee may have or hereafter acquire to secure the payment of the Obligations nor shall the taking of any such additional security waive or impair the Lien and security interests herein granted. The Trustee or Mortgagee may resort first to such other security or any part thereof, or first to the security herein given or any part thereof, or from time to time to either or both, even to the partial or complete abandonment of either security, and such action will not be a waiver of any rights conferred by this Deed of Trust. This Deed of Trust may not be amended, waived or modified except in a written instrument executed by both Mortgagor and Mortgagee.

7.6 **Security Agreement, Financing Statement and Fixture Filing**. This Deed of Trust will be deemed to be and may be enforced from time to time as an assignment, chattel mortgage, contract, deed of trust, financing statement, real estate mortgage, or security agreement, and from time to time as any one or more thereof if appropriate under applicable state law. As a financing statement, this Deed of Trust is intended to cover all Personalty Collateral including Mortgagor's interest in all Hydrocarbons as and after they are extracted and all accounts arising from the sale thereof at the wellhead. **THIS DEED OF TRUST SHALL BE EFFECTIVE AS A FINANCING STATEMENT FILED AS A FIXTURE FILING WITH RESPECT TO FIXTURE COLLATERAL INCLUDED WITHIN THE COLLATERAL**. This Deed of Trust shall be filed in the real estate records or other appropriate records of the county or counties in the state in which any part of the Realty Collateral and Fixture Collateral is located as well as the Uniform Commercial Code records of the Secretary of State or other appropriate office of the state where the Mortgagor is registered. At Mortgagee's request Mortgagor shall execute financing statements covering the Personalty Collateral, including all Hydrocarbons sold at the wellhead, and Fixture Collateral, which financing statements may be filed in the Uniform Commercial Code records of the Secretary of State or other appropriate office of the state in which any of the Collateral is located or where Mortgagor is registered. Furthermore, Mortgagor hereby irrevocably authorizes Mortgagee and any affiliate, employee or agent thereof, at any time and from time to time, to file in any Uniform Commercial Code jurisdiction any financing statement or document and amendments thereto, without the signature of Mortgagor where permitted by law, in order to perfect or maintain the perfection of any security interest granted under this Deed of Trust. A photographic or other reproduction of this Deed of Trust shall be sufficient as a financing statement.

7.7 **Unenforceable or Inapplicable Provisions**. If any term, covenant, condition or provision hereof is invalid, illegal or unenforceable in any respect, the other provisions hereof will remain in full force and effect and will be liberally construed in favor of the Trustee and Mortgagee in order to carry out the provisions hereof.

7.8 **Rights Cumulative**. Each and every right, power and remedy herein given to the Trustee or Mortgagee will be cumulative and not exclusive, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Trustee, or Mortgagee, as the case may be, and the exercise, or the beginning of the exercise, of any such right, power or remedy will not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy. No delay or omission by the Trustee or by Mortgagee in the exercise of any right, power or remedy will impair any such right, power or remedy or operate as a waiver thereof or of any other right, power or remedy then or thereafter existing.

7.9 **Waiver by Mortgagee**. Any and all covenants in this Deed of Trust may from time to time by instrument in writing by Mortgagee, be waived to such extent and in such manner as the Trustee or Mortgagee may desire, but no such waiver will ever affect or impair either the Trustee's or Mortgagee's rights hereunder, except to the extent specifically stated in such written instrument.

7.10 **Terms**. The term "Mortgagor" as used in this Deed of Trust will be construed as singular or plural to correspond with the number of persons executing this Deed of Trust as Mortgagor. If more than one person executes this Deed of Trust as Mortgagor, his, her, its, or their duties and liabilities under this Deed of Trust will be joint and several. The terms "Mortgagee", "Mortgagor", and "Trustee" as used in this Deed of Trust include the heirs, executors or administrators, successors, representatives, receiver, trustees and assigns of those parties. Unless the context otherwise requires, terms used in this Deed of Trust which are defined in the Uniform Commercial Code of Texas are used with the meanings therein defined.

7.11 **Counterparts**. This Deed of Trust may be executed in any number of counterparts, each of which will for all purposes be deemed to be an original, and all of which are identical except that, to facilitate recordation, in any particular counties counterpart portions of Exhibit A hereto which describe Properties situated in counties other than the counties in which such counterpart is to be recorded may have been omitted.

7.12 **Governing Law**. **THE PROVISIONS OF THIS DEED OF TRUST REGARDING THE CREATION, PERFECTION AND ENFORCEMENT OF THE LIENS AND SECURITY INTERESTS HEREIN GRANTED SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE IN WHICH THE COLLATERAL IS LOCATED. ALL OTHER PROVISIONS OF THIS DEED OF TRUST AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS DEED OF TRUST AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

7.13 **Notice**. All notices required or permitted to be given by Mortgagor, Mortgagee or the Trustee shall be made in the manner set forth in the Credit Agreement and shall be addressed as follows:

Mortgagor:	Any notices to Mortgagor shall be delivered to the address as set forth on the signature page hereto.
Mortgagee:	Wells Fargo Bank, National Association 1700 Lincoln St., Third floor – MAC C7300-33 Denver, Colorado 80203 Attention: Joseph T. Rottinghaus Facsimile: (303) 863-5799
Trustee:	Any notices to be given to the Trustee shall be delivered to Mortgagee.

7.14 **Duties of Trustee**. It shall be no part of the duty of the Trustee to see to any recording, filing or registration of this Deed of Trust or any other instrument in addition or supplemental hereto, or to see to the payment of or be under any duty with respect to any tax or assessment or other governmental charge which may be levied or assessed on the Collateral, any part thereof, or against Mortgagor, or to see to the performance or observance by Mortgagor of any of the covenants and agreements contained herein. Trustee shall not be responsible for the execution, acknowledgment or validity of this Deed of Trust or of any instrument in addition or supplemental hereto or for the sufficiency of the security purported to be created hereby, and makes no representation in respect thereof or in respect of the rights of Mortgagee. Trustee shall have the right to seek the advice of counsel upon any matters arising hereunder and shall be fully protected in relying as to legal matters on the advice of counsel. Trustee shall not incur any personal liability hereunder except for his own gross negligence, willful misconduct, or material breach in bad faith of his obligations hereunder; and the Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by him hereunder, believed by him in good faith to be genuine.

7.15 **Condemnation**. Upon the occurrence and during the continuance of an Event of Default, if requested by Mortgagee in writing delivered to Mortgagor, (a) all awards and payments heretofore and hereafter made for the taking of or injury to the Collateral or any portion thereof whether such taking or injury be done under the power of eminent domain or otherwise, are hereby assigned, and shall be paid to Mortgagee, (b) Mortgagee is hereby authorized to collect and receive the proceeds of such awards and payments and to give proper receipts and acquittances therefor and (c) Mortgagor hereby agrees to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of confirming this assignment of such awards and payments to Mortgagee free and clear of any encumbrances of any kind or nature whatsoever (other than Permitted Liens). Any such award or payment procured after the occurrence and during the continuance of an Event of Default may, at the option of Mortgagee, be retained and applied by Mortgagee toward payment of all or a portion of the Obligations, whether or not the Obligations are then due and payable, or be paid over wholly or in part to Mortgagor for the purpose of altering, restoring or rebuilding any part of the Collateral which may have been altered, damaged or destroyed as a result of any such taking, or other injury to the Collateral.

7.16 **Successors and Assigns**.

(a) This Deed of Trust is binding upon Mortgagor, Mortgagor's successors and assigns, and shall inure to the benefit of each Secured Party (other than Swap Counterparties and Banking Service Providers) and each of its successors, transferees, and permitted assigns, and to the benefit of and be binding upon, the Swap Counterparties and the Banking Service Providers and each of their successors, transferees, and assigns only to the extent such successor, transferee, and assign is also a Secured Party, and the provisions hereof shall likewise be covenants running with the land. Without limiting the generality of the foregoing clause, when any Lender assigns or otherwise transfers any interest held by it under the Credit Agreement or other Credit Document to any other Person pursuant to the terms of the

Credit Agreement or such other Credit Document, that other Person shall thereupon become vested with all the benefits held by such Lender under this Deed of Trust. Furthermore, when any Swap Counterparty or Banking Services Provider assigns or otherwise transfers any interest held by it under a Hedging Arrangement or any agreement in respect of Banking Services, as applicable, to any other Person pursuant to the terms of such agreement, that other Person shall thereupon become vested with the benefits held by such Secured Party under this Deed of Trust only if such Person independently qualifies as a Secured Party.

(b) Subject to clause (c) below, this Deed of Trust shall be transferable and negotiable, with the same force and effect and to the same extent as the Obligations may be transferable, it being understood that, upon the legal transfer or assignment by the Secured Parties (or any of them) of any of the Obligations, the legal holder of such Obligations shall have all of the rights granted to the Mortgagee for the benefit of the Secured Parties under this Deed of Trust. The Mortgagor specifically agrees that upon any transfer of all or any portion of the Obligations, this Deed of Trust shall secure with retroactive rank the existing Obligations of the Mortgagor to the transferee and any and all Obligations to such transferee thereafter arising.

(c) The Mortgagor hereby recognizes and agrees that the Secured Parties (or any of them) may, from time to time, one or more times, transfer all or any portion of the Obligations to one or more third parties pursuant to Section 10.7 of the Credit Agreement. Such transfers may include, but are not limited to, sales of participation interests in such Obligations in favor of one or more third parties. Upon any transfer of all or any portion of the Obligations in accordance with the Credit Agreement and subject to clause (a) above, the Mortgagee may transfer and deliver any and/or all of the Collateral to the transferee of such Obligations and such Collateral shall secure any and all of the Obligations in favor of such transferee then existing and thereafter arising, and after any such transfer has taken place and is accepted by the transferee, the Mortgagee shall be fully discharged from any and all future liability and responsibility to the Mortgagor with respect to such Collateral, and transferee thereafter shall be vested with all the powers, rights and duties with respect such Collateral.

7.17 **Article and Section Headings**. The article and section headings in this Deed of Trust are inserted for convenience of reference and shall not be considered a part of this Deed of Trust or used in its interpretation.

7.18 **Usury Not Intended**. It is the intent of Mortgagor and Mortgagee in the execution and performance of this Deed of Trust, the Credit Agreement and the other Credit Documents to contract in strict compliance with applicable usury laws governing the Obligations including such applicable usury laws of the State of Texas and the United States of America as are from time-to-time in effect. In furtherance thereof, Mortgagee and Mortgagor stipulate and agree that none of the terms and provisions contained in this Deed of Trust, the Credit Agreement or the other Credit Documents shall ever be construed to create a contract to pay, as consideration for the use, forbearance or detention of money, interest at a rate in excess of the maximum non-usurious rate permitted by applicable law and that for purposes hereof “interest” shall include the aggregate of all charges which constitute interest under such laws that are contracted for, charged or received under this Deed of Trust, the Credit Agreement and the other Credit Documents; and in the event that, notwithstanding the foregoing, under any circumstances the aggregate amounts taken, reserved, charged, received or paid on the Obligations, include amounts which by applicable law are deemed interest which would exceed the maximum non-usurious rate permitted by applicable law, then such excess shall be deemed to be a mistake and Mortgagee shall credit the same on the principal of the Obligations (or if the Obligations shall have been paid in full, refund said excess to Mortgagor). In the event that the maturity of the Obligations is accelerated by reason of any election of Mortgagee resulting from any Event of Default, or in the event of any required or permitted prepayment, then such consideration that constitutes interest may never include more than the maximum

non-usurious rate permitted by applicable law and excess interest, if any, provided for in this Deed of Trust, the Credit Agreement or other Credit Documents shall be canceled automatically as of the date of such acceleration and prepayment and, if theretofore paid, shall be credited on the Obligations or, if the Obligations shall have been paid in full, refunded to Mortgagor. In determining whether or not the interest paid or payable under any specific contingencies exceeds the maximum non-usurious rate permitted by applicable law, Mortgagor and Mortgagee shall to the maximum extent permitted under applicable law amortize, prorate, allocate and spread in equal part during the period of the full stated term of the Obligations, all amounts considered to be interest under applicable law of any kind contracted for, charged, received or reserved in connection with the Obligation.

7.19 **Bankruptcy Limitation**. Notwithstanding anything contained herein to the contrary, it is the intention of the Mortgagor, the Mortgagee and the other Secured Parties that the amount of the Obligation secured by the Mortgagor's interests in any of its Property shall be in, but not in excess of, the maximum amount permitted by fraudulent conveyance, fraudulent transfer and other similar law, rule or regulation of any Governmental Authority applicable to the Mortgagor. Accordingly, notwithstanding anything to the contrary contained in this Deed of Trust or in any other agreement or instrument executed in connection with the payment of any of the Obligations, the amount of the Obligations secured by the Mortgagor's interests in any of its Property pursuant to this Deed of Trust shall be limited to an aggregate amount equal to the largest amount that would not render the Mortgagor's obligations hereunder or the Liens and security interest granted to the Mortgagee hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provision of any other applicable law.

7.20 **Time of the Essence**. Time is of the essence in this Deed of Trust. If the date specified in this Agreement for giving any notice or taking any action is not a Business Day (or if the period during which any notice is required to be given or any action taken expires on a date which is not a Business Day), then the date for giving such notice or taking such action (and the expiration of such period during which notice is required to be given or action taken) shall be the next day which is a Business Day

THIS WRITTEN AGREEMENT AND THE CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[Remainder of this page intentionally left blank.]

EXECUTED AND DELIVERED as of the date set forth in the acknowledgment below and EFFECTIVE for all purposes as of the Effective Date.

MORTGAGOR:

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: Cary Baetz
Title Executive Vice President and
Chief Financial Officer

Federal Tax Identification Number: 81-5410470
State Organizational Number: 2072291
Address of Mortgagor:

5201 Truxtun Ave.
Bakersfield, CA 93309

ACKNOWLEDGEMENT

THE STATE OF OKLAHOMA §
§
COUNTY OF OKLAHOMA §

This instrument was acknowledged before me on this day of July 2017 by Cary Beatz, as Executive Vice President and Chief Financial Officer of Berry Petroleum Company, LLC, a Delaware limited liability company, on behalf of said limited liability company.

_____
Notary Public in and for
the State of Oklahoma

[SEAL]

EXHIBIT A
TO

DEED OF TRUST, SECURITY AGREEMENT, FINANCING STATEMENT AND ASSIGNMENT OF PRODUCTION AND FIXTURE FILING

Any reference in this Exhibit to wells or units is for warranty of interest, administrative convenience, and identification and shall not limit or restrict the right, title, interest, or properties covered by this Deed of Trust. All right, title, and interest of Mortgagor in the properties described herein are and shall be subject to this Deed of Trust, regardless of the presence of any units or wells not described herein.

Unless otherwise expressly provided, all recording references in this Exhibit are references to the official public records of real property in the county or counties (or parish or parishes) in which the Collateral is located and in which record documents relating to the Collateral are recorded, whether Conveyance Records, Deed Records, Mortgage Records, Oil and Gas Records, Oil and Gas Lease Records, or other records.

EXHIBIT E
FORM OF NOTE

$_____ _____, ___ _____

For value received, the undersigned **BERRY PETROLEUM COMPANY, LLC**, a Delaware limited liability company ("Borrower"), hereby promises to pay to or its registered assigns ("Payee") the principal amount of No/100 Dollars ($) or, if less, the aggregate outstanding principal amount of the Advances (as defined in the Credit Agreement referred to below) made by the Payee (or predecessor in interest) to the Borrower, together with interest on the unpaid principal amount of the Advances from the date of such Advances until such principal amount is paid in full, at such interest rates, and at such times, as are specified in the Credit Agreement (as hereunder defined). The Borrower may make prepayments on this Note in accordance with the terms of the Credit Agreement.

This Note is one of the Notes referred to in, and is entitled to the benefits of, and is subject to the terms of, the Credit Agreement dated as of July [31], 2017 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, the lenders party thereto (the "Lenders"), and Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent") for the Lenders and as issuing lender. Capitalized terms used in this Note that are defined in the Credit Agreement and not otherwise defined in this Note have the meanings assigned to such terms in the Credit Agreement. The Credit Agreement, among other things, (a) provides for the making of the Advances by the Payee to the Borrower in an aggregate amount not to exceed at any time outstanding the Dollar amount first above mentioned, the indebtedness of the Borrower resulting from each such Advance being evidenced by this Note, and (b) contains provisions for acceleration of the maturity of this Note upon the happening of certain events stated in the Credit Agreement and for optional and mandatory prepayments of principal prior to the maturity of this Note upon the terms and conditions specified in the Credit Agreement.

Both principal and interest are payable in lawful money of the United States of America to the Administrative Agent at the location or address specified by the Administrative Agent to the Borrower in same day funds. The Payee shall record payments of principal made under this Note, but no failure of the Payee to make such recordings shall affect the Borrower's repayment obligations under this Note.

This Note is secured by the Security Documents and guaranteed pursuant to the terms of the Guaranty.

This Note is made expressly subject to the terms of Section 10.10 and Section 10.11 of the Credit Agreement.

Except as specifically provided in the Credit Agreement and the other Credit Documents, the Borrower hereby waives presentment, demand, protest, notice of intent to accelerate, notice of acceleration, and any other notice of any kind. No failure to exercise, and no delay in exercising, any rights hereunder on the part of the holder of this Note shall operate as a waiver of such rights.

THIS NOTE SHALL BE DEEMED A CONTRACT UNDER, AND SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

THIS NOTE AND THE OTHER CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND SUPERSEDE ALL PRIOR UNDERSTANDINGS AND AGREEMENTS, WHETHER WRITTEN OR ORAL, RELATING TO THE TRANSACTIONS PROVIDED FOR HEREIN AND THEREIN. ADDITIONALLY, THIS NOTE AND THE CREDIT DOCUMENTS MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

EXHIBIT F
FORM OF NOTICE OF BORROWING

[Date]

Wells Fargo Bank, National Association, as Administrative Agent
1700 Lincoln St., 6th Floor
Denver, CO 80203
Attn: [ ]
[303-863-4522]

Ladies and Gentlemen:

(a) The undersigned, Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), refers to the Credit Agreement dated as of July [31], 2017 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement," the defined terms of which are used in this Notice of Borrowing as defined therein unless otherwise defined in this Notice of Borrowing) among the Borrower, Berry Petroleum Corporation, a Delaware corporation (the "Parent"), the lenders party thereto (the "Lenders"), and Wells Fargo Bank, National Association, as administrative agent and as issuing lender, and hereby gives you irrevocable notice pursuant to Section 2.4(a) of the Credit Agreement that the undersigned hereby requests a Borrowing (the "Proposed Borrowing"), and in connection with that request sets forth below the information relating to such Proposed Borrowing as required by the Credit Agreement:

(a) The Business Day of the Proposed Borrowing is , .

(b) The Proposed Borrowing will be composed of [Base Rate Advances][Eurodollar Advances].

(c) The aggregate amount of the Proposed Borrowing is $.

(d) [The Interest Period for each Eurodollar Advance made as part of the Proposed Borrowing is [one][two][three][six]month(s).]

The Borrower hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(i) the representations and warranties made by any Credit Party or any Responsible Officer of any Credit Party contained in the Credit Documents or in any certificate delivered in connection with the Credit Agreement or any other Credit Document are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), on and as of the date of the Proposed Borrowing, before and after giving effect to such Proposed Borrowing and to the application of the proceeds therefrom, as though made on the date of the Proposed Borrowing, except for those representations and

warranties that by their terms are made as of a specified date, which shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) only as of such specified date[33];

(ii) no Default or Borrowing Base Deficiency has occurred and is continuing, or would result from such Proposed Borrowing or from the application of the proceeds therefrom; and

(iii) immediately before and after giving effect to the Proposed Borrowing, the Parent is in pro forma compliance with Section 6.16 (with Consolidated EBITDAX being calculated based on the financial statements most recently delivered and Debt being calculated as of the date of the Proposed Borrowing), and Section 6.17 of the Credit Agreement.

Very truly yours,

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

33 Provided that, for the Initial Advance, without limiting the rights of the Lenders, this clause (i) shall only be applicable to the Specified Acquisition Agreement Representations.

EXHIBIT G
FORM OF NOTICE OF CONTINUATION OR CONVERSION

[Date]

Wells Fargo Bank, National Association, as Administrative Agent
1700 Lincoln St., 6th Floor
Denver, CO 80203
Attn: [ ]
[303-863-4522]

Ladies and Gentlemen:

The undersigned, Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), refers to the Credit Agreement dated as of July [31], 2017 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement," the defined terms of which are used in this Notice of Continuation or Conversion as defined therein unless otherwise defined in this Notice of Continuation or Conversion) among the Borrower, Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, the lenders party thereto (the "Lenders"), and Wells Fargo Bank, National Association, as administrative agent and as issuing lender, and hereby gives you irrevocable notice pursuant to Section 2.4(b) of the Credit Agreement that the undersigned hereby requests a [Conversion][continuation] of outstanding Advances, and in connection with that request sets forth below the information relating to such [Conversion][continuation] (the "Requested [Conversion] [Continuation]") as required by Section 2.4(b) of the Credit Agreement:

1. The Business Day of the Requested [Conversion][Continuation] is , .

2. The aggregate amount of the existing Advances to be [Converted][continued] is $ and is comprised of [Base Rate Advances] [Eurodollar Advances] ("Existing Advances").

3. The Requested [Conversion][Continuation]consists of [a Conversion of the Existing Advances to [Base Rate Advances][Eurodollar Advances]] [a continuation of the Existing Advances].

[(4.) The Interest Period for the Requested [Conversion][Continuation] is [one][two][three][six] month[s].]

Very truly yours,

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

EXHIBIT H

FORM OF PLEDGE AGREEMENT

[PROVIDED SEPARATELY]

Exhibit H – Form of Pledge Agreement

EXHIBIT H
FORM OF PLEDGE AGREEMENT

This Pledge Agreement dated as of July 31, 2017 (this "Pledge Agreement") is by and among each of the undersigned (individually, a "Pledgor" and collectively the "Pledgors") and Wells Fargo Bank, National Association, as administrative agent (in such capacity the "Administrative Agent") under the Credit Agreement (as hereinafter defined), for its benefit and the benefit of the Secured Parties (as defined in the Credit Agreement described below) and as the issuing lender (in such capacity, the "Issuing Lender").

RECITALS

A. This Pledge Agreement is entered into in connection with that certain Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified prior to the date hereof, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, the lenders party thereto, and the Administrative Agent and Issuing Lender.

B. In connection with the Credit Agreement, each Pledgor desires to execute and deliver the Pledge Agreement.

C. Each Pledgor (other than Borrower) is an Affiliate of Borrower and will derive substantial direct or indirect benefit from (i) the transactions contemplated by the Credit Agreement and the other Credit Documents, (ii) the Hedging Arrangements entered into by any Credit Party with a Swap Counterparty, (iii) any Banking Services agreements entered into by any Credit Party with a Banking Services Provider, and (iv) any other incurrence of Secured Obligations by a Credit Party.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, each Pledgor hereby agrees with the Administrative Agent for the benefit of the Secured Parties as follows:

Section 1. Definitions. Any terms used in this Pledge Agreement that are defined in the Uniform Commercial Code in effect in the State of New York from time to time (the "UCC") and not otherwise defined herein or in the Credit Agreement, shall have the meanings assigned to those terms by the UCC. All meanings to defined terms, unless otherwise indicated, are to be equally applicable to both the singular and plural forms of the terms defined. Article, Section, Schedule, and Exhibit references are to Articles and Sections of and Schedules and Exhibits to this Pledge Agreement, unless otherwise specified. All references to instruments, documents, contracts, and agreements are references to such instruments, documents, contracts, and agreements as the same may be amended, supplemented, and otherwise modified from time to time, unless otherwise specified. The words "hereof", "herein" and "hereunder" and words of similar import when used

in this Pledge Agreement shall refer to this Pledge Agreement as a whole and not to any particular provision of this Pledge Agreement. As used herein, the term "including" means "including, without limitation,". Paragraph headings have been inserted in this Pledge Agreement as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Pledge Agreement and shall not be used in the interpretation of any provision of this Pledge Agreement**.**

Section 2. Pledge.

2.01. Grant of Pledge.

(a) Each Pledgor hereby pledges to the Administrative Agent, and grants to the Administrative Agent, for the benefit of the Secured Parties, a continuing security interest in, the Pledged Collateral, as defined in Section 2.02 below. This Pledge Agreement shall secure the Secured Obligations.

(b) Notwithstanding anything contained herein to the contrary, it is the intention of each Pledgor, the Administrative Agent and the other Secured Parties that the amount of the Secured Obligations secured by each Pledgor's interests in any of its Property (whether real or personal, or mixed, tangible or intangible) shall be in, but not in excess of, the maximum amount permitted by fraudulent conveyance, fraudulent transfer and other similar law, rule or regulation of any Governmental Authority applicable to such Pledgor. Accordingly, notwithstanding anything to the contrary contained in this Pledge Agreement or in any other agreement or instrument executed in connection with the payment of any of the Secured Obligations, the amount of the Secured Obligations secured by each Pledgor's interests in any of its Property pursuant to this Pledge Agreement shall be limited to an aggregate amount equal to the largest amount that would not render such Pledgor's obligations hereunder or the Liens and security interest granted to the Administrative Agent hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provision of any other applicable law.

2.02. Pledged Collateral. "Pledged Collateral" shall mean all of each Pledgor's right, title, and interest in the following, whether now owned or hereafter acquired:

(a) (i) all of the membership interests of any issuer (other than an Unrestricted Subsidiary) held by such Pledgor, including those membership interests (if any) listed in the attached Schedule 2.02(a) issued to such Pledgor and any such additional membership interests of any issuer (other than an Unrestricted Subsidiary) of such interests hereafter acquired by such Pledgor, other than any Excluded Property (the "Membership Interests"), (ii) the certificates representing the Membership Interests, if any, and (iii) all rights to money or Property which such Pledgor now has or hereafter acquires in respect of the Membership Interests, including, without limitation, (A) any proceeds from a sale by or on behalf of such Pledgor of any of the Membership Interests, and (B) any distributions, dividends, cash, instruments and other Property from time-to-time received or otherwise distributed in respect of the Membership Interests, whether regular, special or made in connection with the partial or total liquidation of the issuer and whether attributable to profits, the return of any contribution or investment or otherwise attributable to the Membership Interests or the ownership thereof (collectively, the "Membership Interests Distributions");

(b) (i) all of the general and limited partnership interests of any issuer (other than an Unrestricted Subsidiary) held by such Pledgor, including those general and limited partnership interests (if any) listed in the attached Schedule 2.02(b) issued to such Pledgor and all such additional limited or general partnership interests of any issuer (other than an Unrestricted Subsidiary) of such interests hereafter acquired by such Pledgor, other than any Excluded Property (the "Partnership Interests"), and (ii) all rights to money or Property which such Pledgor now has or hereafter acquires in respect of the Partnership Interests, including, without limitation, (A) any proceeds from a sale by or on behalf of such Pledgor of any of the Partnership Interests, and (B) any distributions, dividends, cash, instruments and other Property from time-to-time received or otherwise distributed in respect of the Partnership Interests, whether regular, special or made in connection with the partial or total liquidation of the issuer and whether attributable to profits, the return of any contribution or investment or otherwise attributable to the Partnership Interests or the ownership thereof (collectively, the "Partnership Interests Distributions");

(c) (i) all of the shares of stock of any issuer (other than an Unrestricted Subsidiary) held by such Pledgor, including those shares of stock (if any) listed in the attached Schedule 2.02(c) issued to such Pledgor and all such additional shares of stock of any issuer (other than an Unrestricted Subsidiary) of such shares of stock hereafter issued to such Pledgor, other than any Excluded Property (the "Pledged Shares"), (ii) the certificates representing the Pledged Shares, if any, and (iii) all rights to money or Property which such Pledgor now has or hereafter acquires in respect of the Pledged Shares, including, without limitation, (A) any proceeds from a sale by or on behalf of such Pledgor of any of the Pledged Shares, and (B) any distributions, dividends, cash, instruments and other Property from time-to-time received or otherwise distributed in respect of the Pledged Shares, whether regular, special or made in connection with the partial or total liquidation of the issuer and whether attributable to profits, the return of any contribution or investment or otherwise attributable to the Pledged Shares or the ownership thereof (collectively, the "Pledged Shares Distributions"; together with the Membership Interests Distributions and the Partnership Interest Distributions, the "Distributions"); and

(d) all proceeds from the Pledged Collateral described in paragraphs (a), (b) and (c) of this Section 2.02.

2.03. Delivery of Pledged Collateral. All certificates or instruments, if any, representing the Pledged Collateral shall be delivered to the Administrative Agent and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Administrative Agent. After the occurrence and during the continuance of an Event of Default, the Administrative Agent shall have the right to transfer to or to register in the name of the Administrative Agent or any of its nominees any of the Pledged Collateral, subject to the rights specified in Section 2.04. In addition, after the occurrence and during the continuance of an Event of Default, the Administrative Agent shall have the right at any time to exchange the certificates or instruments representing the Pledged Collateral for certificates or instruments of smaller or larger denominations.

2.04. Rights Retained by Pledgor. Notwithstanding the pledge in Section 2.01,

(a) so long as no Event of Default shall have occurred and be continuing, (i) each Pledgor shall be entitled to receive and retain any dividends and other Distributions paid on or in respect of the Pledged Collateral and the proceeds of any sale of the Pledged Collateral; and (ii) each Pledgor shall be entitled to exercise any voting and other consensual rights pertaining to its Pledged Collateral for any purpose not inconsistent with the terms of this Pledge Agreement or the Credit Agreement; provided, however, that no Pledgor shall exercise nor shall it refrain from exercising any such right if such action or inaction, as applicable, would have a materially adverse effect on the value of the Pledged Collateral, taken as a whole; and

(b) if an Event of Default shall have occurred and be continuing, each Pledgor shall promptly execute and deliver (or cause to be executed and delivered) to the Administrative Agent all proxies and other instruments as the Administrative Agent may reasonably request to enable the Administrative Agent to (A) exercise the voting and other rights which such Pledgor is entitled to exercise pursuant to Section 2.04(a), and (B) receive any Distributions and proceeds of sale of the Pledged Collateral which such Pledgor is authorized to receive and retain pursuant to paragraph Section 2.04(a)(i).

Section 3. Pledgor's Representations and Warranties. Each Pledgor represents and warrants to the Administrative Agent and the other Secured Parties as follows:

(a) The Pledged Collateral (if any) applicable to such Pledgor listed on the attached Schedules 2.02(a), 2.02(b) and 2.02(c) have been duly authorized and validly issued to such Pledgor and are fully paid and nonassessable.

(b) Such Pledgor is the legal and beneficial owner of the Pledged Collateral free and clear of any Lien or option, except for Liens permitted under clauses (a), (b), (c), (j) or (p) of Section 6.2 of the Credit Agreement.

(c) (i) the Membership Interests listed on the attached Schedule 2.02(a) constitute the percentage of the issued and outstanding membership interests of the respective issuer thereof set forth on Schedule 2.02(a) (after giving effect to any supplements thereto but subject to the time periods specified in Section 5.6 or 5.7 of the Credit Agreement, as applicable, for the delivery of any such supplements) and all of the Equity Interest (if any) in such issuer in which the Pledgor has any ownership interest, and, except as set forth on Schedule 2.02(a), such Membership Interests are not represented by any certificate or instrument and are not "securities" governed by Article 8 of the UCC and (ii) except as set forth on Schedule 2.02(a), no Membership Interest (A) is dealt in or traded on securities exchanges or in securities markets, (B) is held in a securities account, or (C) expressly provides that such Membership Interest is a security governed by Article 8 of the UCC.

(d) The Partnership Interests (if any) listed on the attached Schedule 2.02(b) (after giving effect to any supplements thereto but subject to the time periods specified in Section 5.6 or 5.7 of the Credit Agreement, as applicable, for the delivery of any such supplements) constitute the percentage of the issued and outstanding general and limited partnership interests of the respective issuer thereof set forth on Schedule 2.02(b) and all of the Equity Interest in such issuer in which the Pledgor has any ownership interest, and, except as set forth on Schedule 2.02(b), such Partnership Interests are not represented by any certificate or instrument and are not "securities" governed by Article 8 of the UCC. Except as set forth on Schedule 2.02(a), no Partnership Interest (i) is dealt in or traded on securities exchanges or in securities markets, (ii) is held in a securities account, or (iii) expressly provides that such Partnership Interest is a security governed by Article 8 of the UCC.

(e) The Pledged Shares listed on the attached Schedule 2.02(c) (after giving effect to any supplements thereto but subject to the time periods specified in Section 5.6 or 5.7 of the Credit Agreement, as applicable, for the delivery of any such supplements) constitute the percentage of the issued and outstanding shares of capital stock of the respective issuer thereof set forth on Schedule 2.02(c) and all of the Equity Interest in such issuer in which the Pledgor has any ownership interest.

(f) As of the Closing Date, Schedule 3 sets forth its sole jurisdiction of formation, type of organization, federal tax identification number, the organizational number, and all names used by it during the last five years prior to the date of this Pledge Agreement.

Section 4. Pledgor's Covenants. During the term of this Pledge Agreement and until Payment in Full of Obligations, each Pledgor covenants and agrees with the Administrative Agent that:

4.01. Protect Collateral; Further Assurances. Each Pledgor will warrant and defend the rights and title herein granted unto the Administrative Agent in and to the Pledged Collateral (and all right, title, and interest represented by the Pledged Collateral) against the claims and demands of all Persons whomsoever except for Liens permitted under clauses (a), (b), (c), (j) or (p) of Section 6.2 of the Credit Agreement. Each Pledgor hereby authorizes the Administrative Agent to file any financing statements, amendments or continuations without the signature of such Pledgor to the extent permitted by applicable law in order to perfect or maintain the perfection of any security interest granted under this Pledge Agreement, including, with respect to each Pledgor, financing statements containing an "all assets" or "all personal property" collateral description. Each Pledgor at its expense will, and will cause each of its Subsidiaries to, promptly execute and deliver to the Administrative Agent upon request all such other documents, agreements and instruments to comply with or accomplish the covenants and agreements of such Pledgor in the Security Documents, or to further evidence and more fully describe the collateral intended as security for the Secured Obligations, or to correct any omissions in the Security Documents, or to state more fully the security obligations set out herein or in any of the other Security Documents, or to perfect, protect or preserve any Liens created pursuant to any of the Security Documents, or to make any recordings, to file any notices or obtain any consents, all as may be reasonably necessary or appropriate in connection therewith or to enable the Administrative Agent to exercise and enforce its rights and remedies with respect to any Pledged Collateral.

4.02. Transfer, Other Liens, and Additional Shares. Each Pledgor agrees that it will not (a) except as otherwise permitted by the Credit Agreement, sell or otherwise dispose of, or grant any option with respect to, any of the Pledged Collateral or (b) create or permit to exist any Lien upon or with respect to any of the Pledged Collateral, except for Liens permitted under clauses (a), (b), (c), (j) or (p) of Section 6.2 of the Credit Agreement. Each Pledgor agrees that it will pledge hereunder, within thirty (30) days of the acquisition (directly or indirectly) thereof (or such longer time period as may be accepted by the Administrative Agent in its sole discretion), any additional Equity Interests of an issuer acquired by such Pledgor, other than any Excluded Property.

4.03. [Reserved]

4.04. As to Investment Property.

(a) Equity Interests of Subsidiaries. Other than with respect to Excluded Property, no Pledgor shall allow or permit any of its Restricted Subsidiaries (i) that is a corporation, business trust, joint stock company or similar Person, to issue uncertificated securities (as defined in the UCC), unless such Person promptly takes the actions set forth in Section 4.04(b)(ii) with respect to any such uncertificated securities, (ii) that is a partnership or limited liability company, to (A) issue Equity Interests that are to be dealt in or traded on securities exchanges or in securities markets, (B) amend its organizational documents to expressly provide that its Equity Interests are securities governed by Article 8 of the UCC, or (C) place such Subsidiary's Equity Interests in a securities account, unless such Person promptly takes the actions set forth in Section 4.04(b)(ii) with respect to any such Equity Interests, (iii) to cause any Equity Interest of such Restricted Subsidiary to become represented by any certificate without ten Business Days' notice to the Administrative Agent (or such shorter time period as the Administrative Agent may agree in its sole discretion); provided, that in the case of the formation or acquisition of a new Subsidiary, such notice period will be extended to thirty (30) days after such formation or acquisition, or (iv) to issue Equity Interests in addition to or in substitution for the Pledged Collateral or any other Equity Interests pledged hereunder, except for Equity Interests issued pursuant to any transaction permitted under Section 6.7 of the Credit Agreement and additional Equity Interests issued to such Pledgor or any other Pledgor; provided that (A) such Equity Interests or certificate(s), as applicable, are pledged and delivered to the Administrative Agent within ten (10) Business Days, and (B) such Pledgor delivers a supplement to Schedule 2.02(a), 2.02(b) or 2.02(c), as applicable, to the Administrative Agent identifying such new Equity Interests or certificate(s) as Pledged Collateral, in each case pursuant to the terms of this Pledge Agreement. No Pledgor shall permit any of its Restricted Subsidiaries to issue any warrants, options, contracts or other commitments or other securities that are convertible to any of the foregoing (except as to Equity Interests issued by Restricted Subsidiaries that are not wholly-owned) or that entitle any Person to purchase any of the foregoing, and except for this Pledge Agreement or any other Credit Document, shall not, and shall not permit any of its Restricted Subsidiaries to, enter into any agreement creating any restriction or condition upon the transfer, voting or control of any Pledged Collateral except as permitted by Section 6.5 of the Credit Agreement.

(b) Investment Property (other than Certificated Securities).

(i) With respect to any deposit accounts, securities accounts, commodity accounts, commodity contracts or security entitlements constituting investment property (as defined in the UCC) owned or held by any Pledgor, such Pledgor will, during the continuance of an Event of Default, following the request of the Administrative Agent, either (A) cause the intermediary maintaining such investment property to execute a control agreement relating to such investment property pursuant to which such intermediary agrees to comply with the Administrative Agent's instructions with respect to such investment property without further consent by such Pledgor, or (B) transfer such investment property to intermediaries that have or will agree to execute such control agreements.

(ii) With respect to any uncertificated securities or security entitlements that constitute Pledged Collateral (other than uncertificated securities or security entitlements credited to a securities account) owned or held by any Pledgor, such Pledgor will (A) cause the issuer of such securities to either (1) register the Administrative Agent (for the benefit of the Secured Parties) as the registered owner thereof on the books and records of the issuer, or (2) execute a control agreement relating to such investment property pursuant to which the issuer agrees to comply with the Administrative Agent's instructions with respect to such uncertificated securities without further consent by such Pledgor following the occurrence and during the continuance of an Event of Default, and (B) take and cause the appropriate Person (including any issuer, entitlement holder or securities intermediary thereof) to take all other actions necessary to grant "control" (as defined in 8-106 of the UCC) to the Administrative Agent (for the benefit of the Secured Parties) over such Pledged Collateral.

(iii) Each issuer of uncertificated securities or security entitlements (other than uncertificated securities or security entitlements credited to a securities account) that is a Pledgor agrees to (A) comply with the Administrative Agent's instructions with respect to such uncertificated securities without further consent by such Pledgor following the occurrence and during the continuance of an Event of Default, and (B) take all other actions necessary to grant "control" (as defined in 8-106 of the UCC) to the Administrative Agent (for the benefit of the Secured Parties) over such Pledged Collateral.

Section 5. Remedies upon Default. If any Event of Default shall have occurred and be continuing:

5.01. UCC Remedies. To the extent permitted by law, the Administrative Agent may exercise in respect of the Pledged Collateral, in addition to other rights and remedies provided for in this Pledge Agreement or otherwise available to it, all the rights and remedies of a secured party under the UCC (whether or not the UCC applies to the affected Pledged Collateral).

5.02. Dividends and Other Rights.

(a) All rights of the Pledgors to exercise the voting and other consensual rights which it would otherwise be entitled to exercise pursuant to Section 2.04(a) may be exercised by the Administrative Agent if the Administrative Agent so elects, and all rights of such Pledgor to receive any Distributions on or in respect of the Pledged Collateral and the proceeds of sale of the Pledged Collateral which it would otherwise be authorized to receive and retain pursuant to Section 2.04(a) shall cease.

(b) All distributions on or in respect of the Pledged Collateral and the proceeds of sale of the Pledged Collateral which are received by any Pledgor shall be received in trust for the benefit of the Administrative Agent and shall be segregated from other funds of such Pledgor, and shall be promptly paid over to the Administrative Agent as Pledged Collateral in the same form as so received (with any necessary indorsement).

5.03. Sale of Pledged Collateral. The Administrative Agent may sell all or part of the Pledged Collateral at public or private sale, at any of the Administrative Agent's offices or elsewhere, for cash, on credit, or for future delivery, and upon such other terms as the Administrative Agent may deem commercially reasonable in accordance with applicable laws. If advance notice is required by law, each Pledgor hereby deems ten (10) days' advance notice of the time and place of any public sale or the time after which any private sale is to be made reasonable notification, recognizing that if the Pledged Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market shorter notice may be reasonable. The Administrative Agent shall not be obligated to make any sale of the Pledged Collateral regardless of notice of sale having been given. The Administrative Agent may adjourn any public or private sale from time- to-time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Each Pledgor shall fully cooperate with the Administrative Agent in selling or realizing upon all or any part of the Pledged Collateral. In addition, each Pledgor shall fully comply with the securities laws of the United States, the State of New York, and other states and take such actions as may be necessary to permit Administrative Agent to sell or otherwise dispose of any securities representing the Pledged Collateral in compliance with such laws.

5.04. Exempt Sale. If, in the opinion of the Administrative Agent, there is any question that a public or semipublic sale or distribution of any Pledged Collateral will violate any state or federal securities law, the Administrative Agent in its reasonable discretion (a) may offer and sell securities privately to purchasers who will agree to take them for investment purposes and not with a view to distribution and who will agree to imposition of restrictive legends on the certificates representing the security, or (b) may sell such securities in an intrastate offering under Section 3(a)(11) of the Securities Act of 1933, as amended, and no sale so made in good faith by the Administrative Agent shall be deemed to be not "commercially reasonable" solely because so made. Each Pledgor shall cooperate fully with the Administrative Agent in selling or realizing upon all or any part of the Pledged Collateral.

5.05. Application of Collateral. The proceeds of any sale, or other realization (other than that received from a sale or other realization permitted by the Credit Agreement) upon all or any part of the Pledged Collateral pledged by the Pledgors shall be applied by the Administrative Agent as set forth in Section 7.6 of the Credit Agreement.

5.06. Cumulative Remedies. Each right, power and remedy herein specifically granted to the Administrative Agent or otherwise available to it shall be cumulative, and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity, or otherwise, and each such right, power and remedy, whether specifically granted herein or otherwise existing, may be exercised at any time and from time-to-time as often and in such order as may be deemed expedient by the Administrative Agent in its sole discretion. No failure on the part of the Administrative Agent to exercise, and no delay in exercising, and no course of dealing with respect to, any such right, power or remedy, shall operate as a waiver thereof, nor shall any single or partial exercise of any such rights, power or remedy preclude any other or further exercise thereof or the exercise of any other right.

Section 6. Administrative Agent as Attorney-in-Fact for Pledgor.

6.01. Administrative Agent Appointed Attorney-in-Fact. Each Pledgor hereby constitutes and irrevocably appoints the Administrative Agent, acting for and on behalf of itself and the Secured Parties and each successor or assign of the Administrative Agent and the other Secured Parties, the true and lawful attorney-in-fact of such Pledgor, with full power and authority in the place and stead of such Pledgor and in the name of such Pledgor, the Administrative Agent or otherwise, at any time while an Event of Default is continuing, to take any action and execute any instrument at the request or with the consent of the Majority Lenders and enforce all rights, interests and remedies of such Pledgor with respect to the Pledged Collateral, including the right to receive, indorse, and collect all instruments made payable to such Pledgor representing any dividend, or the proceeds of the sale of the Pledged Collateral, or other distribution in respect of the Pledged Collateral and to give full discharge for the same. **This power of attorney is a power coupled with an interest and shall be irrevocable until the Payment in Full of Obligations.**

6.02. Administrative Agent May Perform. The Administrative Agent may from time-to-time perform any act which any Pledgor has agreed hereunder to perform and which such Pledgor shall fail to perform within the time periods required herein after giving effect to any applicable time periods and cure periods in the Credit Documents, and the Administrative Agent may from time-to-time take any other action which the Administrative Agent reasonably deems necessary for the maintenance, preservation or protection of any of the Pledged Collateral or of its security interest therein, and the reasonable expenses of the Administrative Agent incurred in connection therewith shall be part of the Secured Obligations and shall be secured hereby.

6.03. Administrative Agent Has No Duty. The powers conferred on the Administrative Agent hereunder are solely to protect its interest in the Pledged Collateral and shall not impose any duty on it to exercise any such powers. Except for reasonable care of any Pledged Collateral in its possession and the accounting for moneys actually received by it hereunder, the Administrative Agent shall have no duty as to any Pledged Collateral or responsibility for taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Pledged Collateral.

6.04. Reasonable Care. The Administrative Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Pledged Collateral in its possession if the Pledged Collateral is accorded treatment substantially equal to that which the Administrative Agent accords its own Property, it being understood that the Administrative Agent shall have no

responsibility for (a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders, or other matters relative to any Pledged Collateral, whether or not the Administrative Agent has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Pledged Collateral.

Section 7. Miscellaneous.

7.01. Expenses. Section 10.1 of the Credit Agreement is incorporated herein, *mutatis mutandis*, as if a part hereof.

7.02. Amendments, Etc. No amendment or waiver of any provision of this Pledge Agreement nor consent to any departure by any Pledgor herefrom shall be effective unless made in writing and executed by the affected Pledgor and the Administrative Agent, and such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Schedule 2.02 to this Pledge Agreement may be updated from time to time to reflect the correct Pledged Collateral after giving effect to an acquisition, disposition, or redemption of equity interests, in each case, conducted in accordance with the Credit Agreement, or other change in circumstance, by delivery by the Borrower to the Administrative Agent of an updated Schedule 2.02 in form and substance reasonably satisfactory to the Administrative Agent.

7.03. Addresses for Notices. All notices and other communications provided for hereunder shall be in the manner and to the addresses set forth in Section 10.9 of the Credit Agreement or on the signature page hereof.

7.04. Continuing Security Interest; Transfer of Interest.

(a) This Pledge Agreement shall create a continuing security interest in the Pledged Collateral and, unless expressly released by the Administrative Agent or the Payment in Full of Obligations occurs, shall (i) remain in full force and effect, (ii) be binding upon each Pledgor and its successors, transferees and assigns, and (iii) inure, together with the rights and remedies of the Administrative Agent hereunder, to the benefit of and be binding upon, each Secured Party (other than the Swap Counterparties and the Banking Service Providers) and each of its successors, transferees, and assigns, and to the benefit of and be binding upon, the Swap Counterparties and the Banking Service Providers and each of their successors, transferees and assigns only to the extent such successor, transferee, and assign is a Secured Party. Without limiting the generality of the foregoing clause, when any Lender assigns or otherwise transfers any interest held by it under the Credit Agreement or other Credit Document to any other Person pursuant to the terms of the Credit Agreement or such other Credit Document, that other Person shall thereupon become vested with all the benefits held by such Lender under this Pledge Agreement. Furthermore, when any Swap Counterparty or Banking Services Provider assigns or otherwise transfers any interest held by it under a Hedging Arrangement or any agreement in respect of Banking Services, as applicable, to any other Person pursuant to the terms of such agreement, that other Person shall thereupon become vested with the benefits held by such Secured Party under this Pledge Agreement only if such Person independently qualifies as a Secured Party.

(b) Upon the Payment in Full of Obligations, the security interest granted hereby shall terminate and all rights to the Pledged Collateral shall revert to the applicable Pledgor to the extent such Pledged Collateral shall not have been sold or otherwise applied pursuant to the terms hereof. Upon any such termination, the Administrative Agent will, at the Pledgors' expense, deliver all Pledged Collateral to the applicable Pledgor, execute and deliver to the applicable Pledgor such documents as such Pledgor shall reasonably request and take any other actions reasonably requested to evidence or effect such termination.

(c) Upon the sale or other transfer of any Pledged Collateral pursuant to a transaction permitted by the Credit Agreement, the security interest in such Pledged Collateral granted hereby shall terminate. Upon any such termination, the Administrative Agent will, at the Pledgors' expense, deliver all such Pledged Collateral to the applicable Pledgor, execute and deliver to the applicable Pledgor such documents as such Pledgor shall reasonably request and take any other actions reasonably requested to evidence or effect such termination.

7.05. Waivers. Each Pledgor hereby waives:

(a) promptness, diligence, notice of acceptance, and any other notice with respect to any of the Secured Obligations and this Pledge Agreement, except to the extent expressly provided in this Pledge Agreement;

(b) any requirement that the Administrative Agent or any other Secured Party protect, secure, perfect, or insure any Lien or any Property subject thereto or exhaust any right or take any action against any Pledgor, any Guarantor, or any other Person or any collateral, except to the extent expressly provided in this Pledge Agreement; and

(c) any duty on the part of the Administrative Agent to disclose to any Pledgor any matter, fact, or thing relating to the business, operation, or condition of any Pledgor, any Guarantor, or any other Person and their respective assets now known or hereafter known by such Person.

7.06. Severability. Wherever possible each provision of this Pledge Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Pledge Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Pledge Agreement.

7.07. Choice of Law; Service of Process. This Pledge Agreement shall be deemed a contract under, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to conflicts of laws principles (other than Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York), except to the extent that the validity or perfection of the security interests hereunder, or remedies hereunder, in respect of any particular Pledged Collateral are governed by the laws of a jurisdiction other than the state of New York. Each Pledgor hereby agrees that service of copies of the summons and complaint and any other process which may be served in any such action or proceeding may be made by mailing

or delivering a copy of such process to such Pledgor at the address set forth for the Credit Parties in the Credit Agreement. Nothing in this Section shall affect the rights of any Lender to serve legal process in any other manner permitted by the law or affect the right of any Lender to bring any action or proceeding against any Pledgor or its Property in the courts of any other jurisdiction.

7.08. Submission to Jurisdiction. The Pledgors hereby irrevocably and unconditionally agree that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, the Issuing Lender or any Related Party of the foregoing in any way relating to this Pledge Agreement or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Pledge Agreement or in any other Loan Document shall affect any right that the Administrative Agent, any Lender, or the Issuing Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

7.09. Waiver of Jury. THE PLEDGORS HEREBY ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED BY AND HAVE CONSULTED WITH COUNSEL OF THEIR CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

7.10. **INDEMNIFICATION. EACH PLEDGOR SHALL INDEMNIFY THE ADMINISTRATIVE AGENT (AND ANY SUB-AGENT THEREOF), EACH LENDER, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (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 PERSON (INCLUDING THE BORROWER OR ANY OTHER CREDIT PARTY) OTHER THAN SUCH INDEMNITEE AND ITS RELATED PARTIES ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (A) THE EXECUTION OR DELIVERY OF THIS PLEDGE AGREEMENT, OTHER CREDIT DOCUMENT, ANY HEDGING ARRANGEMENT WITH A SWAP COUNTERPARTY, OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE**

CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, (B) ANY ADVANCE OR LETTER OF CREDIT OR THE USE OR PROPOSED USE OF THE PROCEEDS THEREFROM (INCLUDING ANY REFUSAL BY THE ISSUING LENDER TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT), (C) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY THE PARENT OR ANY OF ITS SUBSIDIARIES, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO THE PARENT OR ANY OF ITS SUBSIDIARIES, OR (IV) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR BY THE PARENT, THE BORROWER OR ANY OTHER CREDIT PARTY, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE APPLICABLE 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 (I) CONSTITUTE ATTORNEYS' FEES, EXPENSES AND CHARGES FOR ANY COUNSEL OTHER THAN (1) ONE PRIMARY COUNSEL OF THE ADMINISTRATIVE AGENT, THE LENDERS, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES (TAKEN AS A WHOLE), (2) IF NECESSARY, A SINGLE FIRM OF LOCAL COUNSEL IN EACH APPROPRIATE JURISDICTION, AND (3) OTHER COUNSEL IF SUCH REPRESENTATION BY A SINGLE COUNSEL WOULD BE INAPPROPRIATE DUE TO THE EXISTENCE OF AN ACTUAL OR REASONABLY PERCEIVED CONFLICT OF INTEREST, (II) 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'S OBLIGATIONS HEREUNDER OR UNDER ANY OTHER CREDIT DOCUMENT OR HEDGING ARRANGEMENT, AS APPLICABLE, IF THE PARENT, THE BORROWER OR SUCH CREDIT PARTY HAS OBTAINED A FINAL AND NONAPPEALABLE JUDGMENT IN ITS FAVOR ON SUCH CLAIM AS DETERMINED BY A COURT OF COMPETENT JURISDICTION, OR (III) RELATE TO ANY PROCEEDING SOLELY BETWEEN OR AMONG INDEMNIFIED PARTIES OTHER THAN (A) CLAIMS AGAINST EITHER THE ADMINISTRATIVE AGENT OR THE LEAD ARRANGERS OR THEIR RESPECTIVE AFFILIATES IN THEIR CAPACITY OR IN FULFILLING THEIR ROLE AS THE ADMINISTRATIVE AGENT OR LEAD ARRANGERS OR ANY OTHER SIMILAR ROLE UNDER THE CREDIT DOCUMENTS (EXCLUDING THE ROLE AS A LENDER) AND (B) CLAIMS ARISING OUT OF ANY ACT OR OMISSION ON THE PART OF THE BORROWER OR ANY OF THE BORROWER'S AFFILIATES. THIS SECTION 7.10 SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM. THE LIABILITIES OF EACH PLEDGOR AS SET FORTH IN THIS SECTION 7.10 SHALL SURVIVE THE TERMINATION OF THIS PLEDGE AGREEMENT.

7.11. Counterparts. The parties may execute this Pledge Agreement in counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. Delivery of an executed counterpart signature page by facsimile or other electronic transmission is as effective as executing and delivering this Pledge Agreement in the presence of the other parties to this Pledge Agreement. In proving this Pledge Agreement, a party must produce or account only for the executed counterpart of the party to be charged.

7.12. Headings. Paragraph headings have been inserted in this Pledge Agreement as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Pledge Agreement and shall not be used in the interpretation of any provision of this Pledge Agreement.

7.13. Reinstatement. If, at any time after payment in full of all Secured Obligations and termination of the Administrative Agent's security interest, any payments on the Secured Obligations previously made must be disgorged by any Secured Party for any reason whatsoever, including, without limitation, the insolvency, bankruptcy or reorganization of any Pledgor or any other Person, this Pledge Agreement and the Administrative Agent's security interests herein shall be reinstated as to all disgorged payments as though such payments had not been made, and each Pledgor shall sign and deliver to the Administrative Agent all documents, and shall do such other acts and things, as may be necessary to reinstate and perfect the Administrative Agent's security interest. **THE LIABILITIES OF EACH PLEDGOR AS SET FORTH IN THIS SECTION 7.13 SHALL SURVIVE THE TERMINATION OF THIS PLEDGE AGREEMENT.**

7.14. Additional Pledgors. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, each Credit Party that holds an Equity Interest in a Restricted Subsidiary of the Borrower that was not in existence on the date of the Credit Agreement is required to enter into this Pledge Agreement as a Pledgor within the time period set forth in the Credit Agreement. Upon execution and delivery after the date hereof by the Secured Party and such Credit Party of an instrument in the form of Annex 1, such Credit Party shall become a Pledgor hereunder with the same force and effect as if originally named as a Pledgor herein. The execution and delivery of any instrument adding an additional Pledgor as a party to this Pledge Agreement shall not require the consent of any other Pledgor hereunder. The rights and obligations of each Pledgor hereunder shall remain in full force and effect notwithstanding the addition of any new Pledgor as a party to this Pledge Agreement.

7.15. Updates to Schedules. For the avoidance of doubt, a Pledgor may from time to time update the Schedules to this Pledge Agreement to reflect any disposition, dissolution, merger or other transaction permitted by the Credit Agreement by written notice to the Administrative Agent.

7.16. Entire Agreement. **THIS PLEDGE AGREEMENT, THE CREDIT** AGREEMENT, AND THE OTHER CREDIT DOCUMENTS, REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[SIGNATURE PAGES FOLLOW]

Exhibit H – Form of Pledge Agreement

The parties hereto have caused this Pledge Agreement to be duly executed as of the date first above written.

PLEDGORS:

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

BERRY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

ADMINISTRATIVE AGENT:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent for the benefit of the Secured Parties

By: _____
Name: _____
Title: _____

SCHEDULE 2.02(a)
Membership Interests

Pledgor	Issuer	Type of Membership Interest	% of Membership Interest Owned	Uncertificated Security?
Berry Petroleum Corporation	Berry Petroleum Company, LLC	Membership Interest	100%	No

SCHEDULE 2.02(b)
Partnership Interests

None.

SCHEDULE 2.02(c)
Pledged Shares

None.

SCHEDULE 3

PLEDGOR INFORMATION

Pledgor:	Berry Petroleum Company, LLC
Sole Jurisdiction of Formation / Filing:	Delaware
Type of Organization:	Limited Liability Company
Address where records for Collateral are kept:	5201 Truxton Ave., Suite 100 Bakersfield, California 93309
Organizational Number:	2072291
Federal Tax Identification Number:	81-5410470
Prior Names:	None.

Pledgor:	Berry Petroleum Corporation
Sole Jurisdiction of Formation / Filing:	Delaware
Type of Organization:	Corporation
Address where records for Collateral are kept:	5201 Truxton Ave., Suite 100 Bakersfield, California 93309
Organizational Number:	6315824
Federal Tax Identification Number:	77-0079387
Prior Names:	None.

SUPPLEMENT NO. [ ] dated as of [ ] (the "Supplement"), to the Pledge Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Pledge Agreement") by and among Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent"), each subsidiary of Borrower signatory thereto (together with Borrower and the Parent, the "Pledgors" and individually, each a "Pledgor") and Wells Fargo Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent") under the Credit Agreement (as hereinafter defined) for its benefit and the benefit of the Secured Parties (as defined in the Credit Agreement described below).

RECITALS

A. Reference is made to the Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement") by and among the Borrower, the Parent, the lenders party thereto from time to time (the "Lenders"), and the Administrative Agent and Wells Fargo Bank, National Association, as issuing lender for such Lenders.

B. The Pledgors entered into the Pledge Agreement in order to induce the Lenders to make Advances and the Issuing Lender to issue, extend and renew Letters of Credit under the Credit Agreement. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, each Credit Party that holds an Equity Interest in a Restricted Subsidiary of the Borrower that was not in existence on the date of the Credit Agreement is required to enter into the Pledge Agreement as a Pledgor after such Restricted Subsidiary becomes a Restricted Subsidiary of a Borrower. Section 7.14 of the Pledge Agreement provides that such Credit Parties may become Pledgors under the Pledge Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Credit Party (the "New Pledgor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Pledgor under the Pledge Agreement in order to induce the Administrative Agent, the Issuing Lender, or any of the Lenders to make additional Advances and for the Issuing Lender to make, extend, and renew Letters of Credit under the Credit Agreement.

C. Each New Pledgor is an Affiliate of the Borrower and will derive substantial direct and indirect benefit from (i) the transactions contemplated by the Credit Agreement and the other Credit Documents, (ii) the Hedging Arrangements entered into by any Credit Party with a Swap Counterparty, (iii) any Banking Services agreements entered into by any Credit Party with a Banking Services Provider, and (iv) any other incurrence of Secured Obligations by a Credit Party.

D. [Furthermore, pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, any Credit Party that is the equity holder of a Restricted Subsidiary that was not in existence on the date of the Credit Agreement is required to enter into the Pledge Agreement as a Pledgor, or supplement its Pledged Collateral, to pledge the equity of such new Restricted Subsidiary. Each of [ ] (the "Existing Pledgor"; and together with the New Pledgor, the "Specific Pledgors"), and the New Pledgor is executing this Supplement in accordance with the requirements of the Credit Agreement to supplement its Pledged Collateral under the Pledge Agreement.]

E. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Pledge Agreement or the Credit Agreement, as applicable.

Accordingly, the Administrative Agent and the [New Pledgor][Specific Pledgors] agree as follows:

(a) In accordance with Section 7.14 of the Pledge Agreement, the New Pledgor by its signature below becomes a Pledgor under the Pledge Agreement with the same force and effect as if originally named therein as a Pledgor and the New Pledgor hereby agrees (i) to all the terms and provisions of the Pledge Agreement applicable to it as a Pledgor thereunder and (ii) represents and warrants that the representations and warranties made by it as a Pledgor thereunder are true and correct on and as of the date hereof in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof). In furtherance of the foregoing, the New Pledgor, as security for the payment and performance in full of the Secured Obligations, does hereby create and grant to the Administrative Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a continuing security interest in and Lien on all of the New Pledgor's right, title and interest in and to the Pledged Collateral of the New Pledgor. Each reference to a "Pledgor" in the Pledge Agreement shall be deemed to include the New Pledgor. The Pledge Agreement is hereby incorporated herein by reference.

(b) [Existing Pledgor, by its signature below, (i) reaffirms all the terms and provisions of the Pledge Agreement applicable to it as a Pledgor thereunder and (ii) after giving effect to this Supplement, represents and warrants that the representations and warranties made by it as a Pledgor thereunder are true and correct on and as of the date hereof in all material respects.]

(c) [The New Pledgor][Each Specific Pledgor] represents and warrants to the Administrative Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws at the time in effect affecting the rights of creditors generally and by general principles of equity whether applied by a court of law or equity.

(d) This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Administrative Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the [New Pledgor][Specific Pledgors] and the Administrative Agent. Delivery of an executed signature page to this Supplement by facsimile or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

(e) [The New Pledgor][Each Specific Pledgor] hereby represents and warrants that as of the date of this Supplement, (i) set forth on Schedules 2.02(a), 2.02(b), and 2.02(c) attached hereto are true and correct schedules of all its Membership Interests, Partnership Interests and Pledged Shares, as each term is defined in the Pledge Agreement[, and (ii)][. The New Pledgor represents and warrants that, as of the date of this Supplement] set forth on Schedule 3 attached hereto are its sole jurisdiction of formation, type of organization, its federal tax identification number and the organizational number, and all names used by it during the last five (5) years prior to the date of this Supplement.

(f) Except as expressly supplemented hereby, the Pledge Agreement shall remain in full force and effect.

(g) THIS SUPPLEMENT SHALL BE DEEMED A CONTRACT UNDER, AND SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTERESTS HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR PLEDGED COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

(h) Wherever possible each provision of this Supplement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Supplement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Supplement.

(i) All communications and notices hereunder shall be in writing and given as provided in the Pledge Agreement. All communications and notices hereunder to the New Pledgor shall be given to it at the address for the Credit Parties set forth in the Credit Agreement.

(j) This Supplement is a Credit Document under the Credit Agreement.

THIS SUPPLEMENT, THE PLEDGE AGREEMENT, THE CREDIT AGREEMENT, THE OTHER CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[SIGNATURES PAGES FOLLOW]

IN WITNESS WHEREOF, the New Pledgor and the Administrative Agent have duly executed this Supplement to the Pledge Agreement as of the day and year first above written.

NEW PLEDGOR:

[_____]

By: _____
Name: _____
Title: _____

Address:

[_____]

[EXISTING PLEDGOR:]

[_____]

By: _____
Name: _____
Title: _____

ADMINISTRATIVE AGENT:
WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

SCHEDULE 2.02(a)
Membership Interests

Pledgor	Issuer	Type of Membership Interest	% of Membership Interest Owned	Uncertificated Security?

SCHEDULE 2.02(b)
Partnership Interests

Pledgor	Issuer	Type of Partnership Interest	% of Partnership Interest Owned	Uncertificated Security?

SCHEDULE 2.02(c)
Pledged Shares

Pledgor	Issuer	Type of Shares	Number of Shares	% of Shares Owned	Certificate No.

SCHEDULE 3

New Pledgor: _____

Sole Jurisdiction of Formation / Filing: _____

Type of Organization: _____

Organizational Number: _____

Federal Tax Identification Number: _____

Prior Names: _____

EXHIBIT I
FORM OF SECURITY AGREEMENT

[PROVIDED SEPARATELY]

Exhibit I – Form of Security Agreement

EXHIBIT I
FORM OF SECURITY AGREEMENT

This Security Agreement dated as of July 31, 2017 (this "Security Agreement") is by and among Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent"), each Subsidiary (as defined in the Credit Agreement described below) of Borrower signatory hereto (together with Borrower and the Parent, the "Grantors" and individually, each a "Grantor") and Wells Fargo Bank, National Associate, as the administrative agent (in such capacity, the "Administrative Agent"), for its benefit and the benefit of the Secured Parties (as defined in the Credit Agreement described below) and as the issuing lender (in such capacity, the "Issuing Lender").

RECITALS

A. This Security Agreement is entered into in connection with that certain Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, the Parent, the lenders party thereto from time to time (individually, a "Lender" and collectively, the "Lenders"), the Administrative Agent, and the Issuing Lender.

B. In connection with the Credit Agreement, each Grantor desires to execute and deliver this Security Agreement.

C. Each Grantor (other than Borrower) is an Affiliate of Borrower and will derive substantial direct or indirect benefit from (i) the transactions contemplated by the Credit Agreement and the other Credit Documents, (ii) the Hedging Arrangements entered into by any Credit Party with a Swap Counterparty, (iii) any Banking Services agreements entered into by any Credit Party with a Banking Services Provider, and (iv) any other incurrence of Secured Obligations by a Credit Party.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, each Grantor hereby agrees with the Administrative Agent for its benefit and the benefit of the Secured Parties as follows:

Section 1. Definitions; Interpretation. (a) Any terms used in this Security Agreement that are defined in the UCC (as defined below) and not otherwise defined herein or in the Credit Agreement, shall have the meanings assigned to those terms by the UCC. All meanings to defined terms, unless otherwise indicated, are to be equally applicable to both the singular and plural forms of the terms defined. The following terms shall have the meanings specified below:

"Accounts" means an "account" as defined in the UCC, including, without limitation, all of any Grantor's rights to payment for goods sold or leased, services performed, or otherwise, whether now in existence or arising from time to time hereafter, including, without limitation, rights arising under any of the Contracts or evidenced by an account,

note, contract, security agreement, Chattel Paper (including, without limitation, tangible Chattel Paper and electronic Chattel Paper), or other evidence of indebtedness or security, together with all of the right, title and interest of any Grantor in and to (i) all security pledged, assigned, hypothecated or granted to or held by any Grantor to secure the foregoing, (ii) all of any Grantor's right, title and interest in and to any goods or services, the sale of which gave rise thereto, (iii) all guarantees, endorsements and indemnifications on, or of, any of the foregoing, (iv) all powers of attorney granted to any Grantor for the execution of any evidence of indebtedness or security or other writing in connection therewith, (v) all books, correspondence, credit files, records, ledger cards, invoices, and other papers relating thereto, including without limitation all similar information stored on a magnetic medium or other similar storage device and other papers and documents in the possession or under the control of any Grantor or any computer bureau from time to time acting for any Grantor, (vi) all evidences of the filing of financing statements and other statements granted to any Grantor and the registration of other instruments in connection therewith and amendments thereto, notices to other creditors or secured parties, and certificates from filing or other registration officers, (vii) all credit information, reports and memoranda relating thereto, and (viii) all other writings related in any way to the foregoing.

"Cash Collateral" means all amounts from time to time held in any checking, savings, deposit or other account of such Grantor, all monies, proceeds or sums due or to become due therefrom or thereon and all documents (including, but not limited to passbooks, certificates and receipts) evidencing all funds and investments held in such accounts.

"Chattel Paper" has the meaning set forth in the UCC.

"Collateral" has the meaning set forth in Section 2 of this Security Agreement.

"Contract Documents" means all Instruments, Chattel Paper, letters of credit, bonds, guarantees or similar documents evidencing, representing, arising from or existing in respect of, relating to, securing or otherwise supporting the payment of, the Contract Rights.

"Contract Rights" means (i) all (A) of any Grantor's rights to payment under any Contract or Contract Document and (B) payments due and to become due to any Grantor under any Contract or Contract Document, in each case whether as contractual obligations, damages or otherwise; (ii) all of any Grantor's claims, rights, powers, or privileges and remedies under any Contract or Contract Document; and (iii) all of any Grantor's rights under any Contract or Contract Document to make determinations, to exercise any election (including, but not limited to, election of remedies) or option or to give or receive any notice, consent, waiver or approval together with full power and authority with respect to any Contract or Contract Document to demand, receive, enforce or collect any of the foregoing rights or any Property which is the subject of any Contract or Contract Document, to enforce or execute any checks, or other instruments or orders, to file any claims and to take any action which, in the opinion of the Administrative Agent, may be necessary or advisable in connection with any of the foregoing.

"Contracts" means all contracts to which any Grantor now is, or hereafter will be bound, or to which such Grantor is or hereafter will be a party, beneficiary or assignee, all Insurance Contracts, and all exhibits, schedules and other attachments to such contracts, as the same may be amended, supplemented or otherwise modified or replaced from time to time.

"Document" means a bill of lading, dock warrant, dock receipt, warehouse receipt or order for the delivery of goods, and also any other document which in the regular course of business or financing is treated as adequately evidencing that the person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers.

"Equipment" means any equipment now or hereafter owned or leased by any Grantor, or in which any Grantor holds or acquires any other right, title or interest, constituting "equipment" under the UCC, including, without limitation, all surface or subsurface machinery, equipment, facilities, supplies, or other tangible personal property, including tubing, rods, pumps, pumping units and engines, pipe, pipelines, meters, apparatus, boilers, compressors, liquid extractors, connectors, valves, fittings, power plants, poles, lines, cables, wires, transformers, starters and controllers, machine shops, tools, machinery and parts, storage yards and equipment stored therein, buildings and camps, telegraph, telephone, and other communication systems, loading docks, loading racks, and shipping facilities, and any manuals, instructions, blueprints, computer software (including software that is imbedded in and part of the equipment), and similar items which relate to the above, and any and all additions, substitutions and replacements of any of the foregoing, wherever located together with all improvements thereon and all attachments, components, parts, equipment and accessories installed thereon or affixed thereto.

"Excluded Contracts" means any General Intangibles, Contract, Contract Document or other document (and any Contract Rights arising thereunder) to which any of the Grantors is a party to the extent (but only to the extent) that a Grantor is prohibited from granting a security interest in, pledge of, or charge, mortgage or Lien upon any such Property by reason of (a) an existing and enforceable negative pledge or anti-assignment provision or (b) applicable law or regulation to which such Grantor is subject; provided that (i) any Excluded Contract shall automatically cease to be excluded from this definition (and shall automatically be subject to the Lien and security interest granted hereby and to the terms and provisions of this Security Agreement as "Collateral"), to the extent that (A) either of the prohibitions discussed in clause (a) and (b) above is ineffective or subsequently rendered ineffective under Sections 9.406, 9.407, 9.408 or 9.409 of the UCC or under any other Legal Requirement or is otherwise no longer in effect, or (B) the applicable Grantor has obtained the consent of the other parties to such Excluded Contract to the creation of a Lien and security interest in, such Excluded Contract (which consent, upon the reasonable request of the Administrative Agent, such Grantor will use its commercial reasonable efforts to obtain), and (ii) any proceeds received by any Grantor from the sale, transfer or other disposition of Excluded Contracts shall constitute Collateral unless any assets or Property constituting such proceeds are themselves Excluded Property.

"Fixtures" means any fixtures now or hereafter owned or leased by any Grantor, or in which any Grantor holds or acquires any other right, title or interest, constituting "fixtures" under the UCC, including without limitation any and all additions, substitutions and replacements of any of the foregoing, wherever located together with all improvements thereon and all attachments, components, parts, equipment and accessories installed thereon or affixed thereto.

"General Intangibles" means all general intangibles now or hereafter owned by any Grantor, or in which any Grantor holds or acquires any other right, title or interest, constituting "general intangibles" or "payment intangibles" under the UCC, including, but not limited to, all trademarks, trademark applications, trademark registrations, tradenames, fictitious business names, business names, company names, business identifiers, prints, labels, trade styles and service marks (whether or not registered), trade dress, including logos and/or designs, copyrights, patents, patent applications, goodwill of any Grantor's business symbolized by any of the foregoing, trade secrets, license rights, license agreements, permits, franchises, and any rights to tax refunds to which any Grantor is now or hereafter may be entitled.

"Governmental Approval" has the meaning set forth in Section 2(a)(x).

"Instrument" means an "instrument" as defined in the UCC, including, without limitation, any Negotiable Instrument, or any other writing which evidences a right to the payment of money and is not itself a security agreement or lease and is of a type which is in the ordinary course of business transferred by delivery with any necessary endorsement or assignment (other than Instruments constituting Chattel Paper).

"Insurance Contracts" means all contracts and policies of insurance and re-insurance maintained or required to be maintained by or on behalf of any Grantor under the Credit Documents.

"Inventory" means all of the inventory of any Grantor, or in which any Grantor holds or acquires any right, title or interest, of every type or description, now owned or hereafter acquired and wherever located, whether raw, in process or finished (including oil, gas, or other hydrocarbons and all products and substances derived therefrom), and all materials usable in processing the same and all documents of title covering any inventory, including, without limitation, work in process, materials used or consumed in any Grantor's business, now owned or hereafter acquired or manufactured by any Grantor and held for sale in the ordinary course of its business, all present and future substitutions therefor, parts and accessories thereof and all additions thereto, all Proceeds thereof and products of such inventory in any form whatsoever, and any other item constituting "inventory" under the UCC.

"Investment Property" means "investment property" as defined in the UCC, including, without limitation, all securities (whether certificated or uncertificated), security entitlements, securities accounts, commodity contracts, and commodity accounts.

"Negotiable Instrument" means a "negotiable instrument" as defined in the UCC.

"Proceeds" means all proceeds (as defined in the UCC) of any or all of the Collateral, including without limitation (i) any and all proceeds of, all claims for, and all rights of any Grantor to receive the return of any premiums for, any insurance, indemnity, warranty or guaranty payable from time to time with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever) received by any Grantor or due and payable to any Grantor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any Governmental Authority (or any Person acting under color of any Governmental Authority), (iii) all proceeds received or receivable when any or all of the Collateral is sold, exchanged or otherwise disposed, whether voluntarily, involuntarily, in foreclosure or otherwise, (iv) all claims of any Grantor for damages arising out of, or for breach of or default under, any Collateral, (v) all rights of any Grantor to terminate, amend, supplement, modify or waive performance under any Contracts, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder, and (vi) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"UCC" shall mean the Uniform Commercial Code as the same may, from time to time, be in effect in the State of New York; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of the security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

(b) All meanings to defined terms, unless otherwise indicated, are to be equally applicable to both the singular and plural forms of the terms defined. Article, Section, Schedule, and Exhibit references are to Articles and Sections of and Schedules and Exhibits to this Security Agreement, unless otherwise specified. All references to instruments, documents, contracts, and agreements are references to such instruments, documents, contracts, and agreements as the same may be amended, supplemented, and otherwise modified from time to time, unless otherwise specified. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Security Agreement shall refer to this Security Agreement as a whole and not to any particular provision of this Security Agreement. As used herein, the term "including" means "including, without limitation,". Paragraph headings have been inserted in this Security Agreement as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Security Agreement and shall not be used in the interpretation of any provision of this Security Agreement.

Section 2. Assignment, Pledge and Grant of Security Interest.

(a) As collateral security for the prompt and complete payment and performance when due of all Secured Obligations, each Grantor hereby assigns, pledges, and grants to the Administrative Agent for the benefit of the Secured Parties a Lien on and continuing security interest in all of such Grantor's right, title and interest in, to and under, all items described in this Section 2, whether now owned or hereafter acquired by such Grantor and wherever located and whether now owned or hereafter existing or arising (collectively, the "Collateral"):

(i) all Contracts, all Contract Rights, Contract Documents and Accounts associated with such Contracts and each and every document granting security to such Grantor under any such Contract;

(ii) all Accounts;

(iii) all Inventory;

(iv) all Equipment;

(v) all General Intangibles;

(vi) all Investment Property;

(vii) all Fixtures;

(viii) all checking, savings, deposit or other account of such Grantor and all other accounts held in the name of such Grantor;

(ix) all Cash Collateral;

(x) any governmental approvals, permits, licenses, authorizations, consents, rulings, tariffs, rates, certifications, waivers, exemptions, filings, claims, orders, judgments and decrees and other Legal Requirements (each a "Governmental Approval");

(xi) any right to receive a payment under any Hedging Arrangement in connection with a termination thereof;

(xii) (A) all policies of insurance and Insurance Contracts, now or hereafter held by or on behalf of such Grantor, including casualty and liability, business interruption, control of well, and any title insurance, (B) all Proceeds of insurance, and (C) all rights, now or hereafter held by such Grantor to any warranties of any manufacturer or contractor of any other Person;

(xiii) any and all Liens and security interests (together with the documents evidencing such security interests) granted to such Grantor by an obligor to secure such obligor's obligations owing under any Instrument, Chattel Paper, or Contract which is pledged hereunder or with respect to which a security interest in such Grantor's rights in such Instrument, Chattel Paper, or Contract is granted hereunder;

(xiv) any and all guaranties given by any Person for the benefit of such Grantor which guarantees the obligations of an obligor under any Instrument, Chattel Paper or Contract, which are pledged hereunder;

(xv) without limiting the generality of the foregoing, all other personal property, goods, Accounts, Certificated Securities, Chattel Paper, Commercial Tort Claims, Commodity Accounts, Commodity Contracts, Deposit Accounts, Documents, Equipment, Fixtures, General Intangibles, Goods, Instruments, Inventory, Investment Property, Letter of Credit Rights, Letters of Credit, Money, Payment Intangibles, Proceeds, Securities, Securities Account, Security Entitlements, Supporting Obligations, Uncertificated Securities, credits, claims, demands and assets of such Grantor whether now existing or hereafter acquired from time to time; and

(xvi) any and all additions, accessions and improvements to, all substitutions and replacements for and all products and Proceeds of or derived from all of the items described above in this Section 2;

(b) Notwithstanding any other provision set forth in this Section 2 or elsewhere in this Agreement, all Excluded Property shall be excluded from the Lien and security interest granted hereunder and shall not constitute "Collateral"; provided, however, that the exclusion from the Lien and security interest granted by such Grantor hereunder of any Contract Rights of any of the Grantors under one or more of the Excluded Contracts shall not limit, restrict or impair the grant by such Grantor of the Lien and security interest in any Accounts or receivables arising under any such Excluded Contract or any payments due or to become due thereunder unless such receivables or payments themselves constitute Excluded Property. ***[NTD: Equity in Unrestricted Subsidiaries will be excluded.]***

(c) Notwithstanding anything contained herein to the contrary, it is the intention of each Grantor, the Administrative Agent, and the other Secured Parties that the amount of the Secured Obligation secured by each Grantor's interests in any of its Property shall be in, but not in excess of, the maximum amount permitted by fraudulent conveyance, fraudulent transfer and other similar law, rule or regulation of any Governmental Authority applicable to such Grantor. Accordingly, notwithstanding anything to the contrary contained in this Security Agreement or in any other agreement or instrument executed in connection with the payment of any of the Secured Obligations, the amount of the Secured Obligations secured by each Grantor's interests in any of its Property pursuant to this Security Agreement shall be limited to an aggregate amount equal to the largest amount that would not render such Grantor's obligations hereunder or the Liens and security interest granted to the Administrative Agent hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provision of any other applicable law.

Section 3. Representations and Warranties. Each Grantor hereby represents and warrants the following to the Administrative Agent and the other Secured Parties:

(a) Records. As of the date hereof, such Grantor's sole jurisdiction of formation and type of organization are as set forth in Schedule 1 attached hereto. All records concerning the Accounts, General Intangibles, or any other Collateral applicable to such Grantor are located at the address for such Grantor on such Schedule 1 or at such other location specified by any Grantor to the Administrative Agent in writing. Except as set forth on Schedule 2 attached hereto, none of the Accounts with a principal amount in excess of $500,000 individually or $1,000,000 in the aggregate, is evidenced by a promissory note or other instrument as of the date hereof.

(b) Other Liens. Such Grantor is, and will be the legal and beneficial owner of all of the Collateral pledged by such Grantor free and clear of any Lien, except for the Permitted Liens. No effective financing statement or other instrument similar in effect covering all or any part of the Collateral is, or will be, on file in any recording office, except such as may be filed in connection with this Security Agreement or in connection with other Permitted Liens or for which satisfactory releases have been received by the Administrative Agent.

(c) Lien Priority and Perfection. Subject only to Permitted Liens, this Security Agreement creates valid and continuing Acceptable Security Interest in the Collateral, securing the payment and performance of all the Secured Obligations. Upon the filing of financing statements with the jurisdictions listed in Schedule 1, the Administrative Agent will have a valid and perfected Acceptable Security Interest in all Collateral that is capable of being perfected by filing financing statements, subject only to Permitted Liens.

(d) Tax Identification Number and Organizational Number. As of the date hereof, the federal tax identification number of such Grantor and the organizational number of such Grantor are as set forth in Schedule 1.

(e) Tradenames; Prior Names. As of the date hereof and except as set forth on Schedule 1, such Grantor has not conducted business under any name other than its current name during the last five years prior to the date of this Security Agreement.

Section 4. Covenants.

(a) Further Assurances.

(i) Each Grantor agrees that from time to time, at its expense, such Grantor shall promptly execute and deliver all instruments and documents, and take all action, that may be reasonably necessary or desirable, or that the Administrative Agent may reasonably request, in order to perfect and protect any pledge, assignment, or security interest granted or intended to be granted hereby or to enable the Administrative Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, each Grantor (A) at the written request of the Administrative Agent, shall execute such instruments, endorsements or notices, as may be reasonably necessary or as the Administrative Agent may reasonably request, in order to perfect and preserve the assignments and security interests granted or purported to be granted hereby, (B) shall, at the reasonable written request of the Administrative Agent, mark conspicuously each material document included in the Collateral, each Chattel Paper included in the Accounts, and each of its records pertaining to the Collateral with a legend, in form and substance reasonably satisfactory to the Administrative Agent, including that such document, Chattel Paper, or record is subject to the pledge, assignment, and security interest granted hereby, and (C) authorizes the Administrative Agent to file any financing statements, amendments or continuations without the signature of such Grantor to the extent permitted by applicable law in order to perfect or maintain the perfection of any security interest granted under this Security Agreement (including, without limitation, financing statements using an “all assets” or “all personal property” collateral description).

(ii) Until the Payment in Full of Obligations, each Grantor shall promptly provide to the Administrative Agent all information and evidence the Administrative Agent may reasonably request concerning the Collateral to enable the Administrative Agent to enforce the provisions of this Security Agreement.

(b) Change of Name; State of Formation. Until the Payment in Full of Obligations, each Grantor shall give the Administrative Agent at least ten (10) days' (or such shorter period as may be accepted by the Administrative Agent in its sole discretion) prior written notice before it (i) in the case of any Grantor that is not a "registered organization" (as such term is defined in Section 9-102 of the UCC), changes the location of its principal place of business and chief executive office, (ii) changes the location of original copies of any Chattel Paper evidencing Accounts, or (iii) uses a trade name other than its current name used on the date hereof or, in the case of any Subsidiary of the Borrower that becomes a Grantor pursuant to a supplement to this Security Agreement delivered in accordance with Section 18(l), on the date of such supplement.

(c) Right of Inspection. Until the Payment in Full of Obligations, each Grantor shall hold and preserve, at its own cost and expense satisfactory and complete records of the Collateral in accordance with Section 5.9 of the Credit Agreement, and will permit representatives of the Administrative Agent, upon reasonable advance notice, at any time during normal business hours to inspect and copy them.

(d) Liability Under Contracts and Accounts. Notwithstanding anything in this Security Agreement to the contrary, (i) the execution of this Security Agreement shall not release any Grantor from its obligations and duties under any of the Contract Documents, or any other contract or instrument which are part of the Collateral and Accounts included in the Collateral, (ii) the exercise by the Administrative Agent of any of its rights hereunder shall not release any Grantor from any of its duties or obligations under any Contract Documents, or any other Contract or Instrument which are part of the Collateral and Accounts included in the Collateral, and (iii) the Administrative Agent shall not have any obligation or liability under any Contract Documents, or any other contract or instrument which are part of the Collateral and Accounts included in the Collateral by reason of the execution and delivery of this Security Agreement, nor shall the Administrative Agent be obligated to perform any of the obligations or duties of any Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

(e) Transfer of Certain Collateral; Release of Certain Security Interest. Each Grantor agrees that until the Payment in Full of Obligations, it shall not sell, assign, or otherwise dispose of any Collateral, except as otherwise permitted under the Credit Agreement. The Administrative Agent shall promptly, at the Grantors' expense, execute and deliver all further instruments and documents, and take all further action that a Grantor may reasonably request in order to release its security interest in any Collateral which is disposed of in accordance with the terms of the Credit Agreement.

(f) Negotiable Instrument. Until the Payment in Full of Obligations, if any Grantor shall at any time hold or acquire any Negotiable Instruments (excluding checks received and deposited in the ordinary course of business), including promissory notes, with a principal amount in excess of $500,000 individually or $1,000,000 in the aggregate, such Grantor shall forthwith deliver the same to the Administrative Agent, accompanied by such instruments of transfer or assignment duly executed in blank as the Administrative Agent may from time to time reasonably request.

(g) Other Covenants of Grantor. Each Grantor agrees that (i) any action or proceeding to enforce this Security Agreement may be taken by the Administrative Agent either in such Grantor's name or in the Administrative Agent's name, as the Administrative Agent may deem necessary, and (ii) such Grantor will, until the Payment in Full of Obligations, warrant and defend its title to the Collateral and the interest of the Administrative Agent in the Collateral against any claim or demand of any Persons (other than Permitted Liens) which could reasonably be expected to materially adversely affect such Grantor's title to, or the Administrative Agent's right or interest in, such Collateral.

Section 5. Termination of Security Interest.

(a) Upon the Payment in Full of Obligations, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the applicable Grantor to the extent such Collateral shall not have been sold or otherwise applied pursuant to the terms hereof. Upon any such termination, the Administrative Agent will, at the Grantors' expense, execute and deliver to the applicable Grantor such documents (including, without limitation, UCC-3 termination statements) as such Grantor shall reasonably request to evidence such termination.

(b) Upon the sale or other transfer of any Collateral pursuant to a transaction permitted by the Credit Agreement, the security interest in such Collateral granted hereby shall terminate. Upon any such termination, the Administrative Agent will, at the Grantors' expense, execute and deliver to the applicable Grantor such documents (including, without limitation, UCC-3 amendment statements) as such Grantor shall reasonably request to evidence such termination.

Section 6. Reinstatement. If, at any time after payment in full of all Secured Obligations and termination of the Administrative Agent's security interest, any payments on the Secured Obligations previously made must be disgorged by any Secured Party for any reason whatsoever, including, without limitation, the insolvency, bankruptcy or reorganization of any Grantor or any other Person, this Security Agreement and the Administrative Agent's security interests herein shall be reinstated as to all disgorged payments as though such payments had not been made, and each Grantor shall sign and deliver to the Administrative Agent all documents, and shall do such other acts and things, as may be necessary to reinstate and perfect the Administrative Agent's security interest. **THE LIABILITIES OF EACH GRANTOR AS SET FORTH IN THIS SECTION 6 SHALL SURVIVE THE TERMINATION OF THIS SECURITY AGREEMENT.**

Section 7. Remedies upon Event of Default.

(a) If any Event of Default has occurred and is continuing, the Administrative Agent may (and shall at the written request of the Majority Lenders given in accordance with the Credit Agreement), (i) proceed to protect and enforce the rights vested in it by this Security Agreement or otherwise available to it, including but not limited to, the right to cause all revenues and other moneys pledged hereby as Collateral to be paid directly to it, and to enforce its rights hereunder to such payments and all other rights hereunder by such appropriate judicial proceedings as it shall

deem most effective to protect and enforce any of such rights, either at law or in equity or otherwise, whether for specific enforcement of any covenant or agreement contained in any of the Contract Documents, or in aid of the exercise of any power therein or herein granted, or for any foreclosure hereunder and sale under a judgment or decree in any judicial proceeding, or to enforce any other legal or equitable right vested in it by this Security Agreement or by law; (ii) cause any action at law or suit in equity or other proceeding to be instituted and prosecuted and enforce any rights hereunder or included in the Collateral, subject to the provisions and requirements thereof; (iii) sell or otherwise dispose of any or all of the Collateral or cause the Collateral to be sold or otherwise disposed of in one or more sales or transactions, at such prices and in such manner as may be commercially reasonable, and for cash or on credit or for future delivery, without assumption of any credit risk, at public or private sale, without demand of performance or notice of intention to sell or of time or place of sale (except such notice as is required by applicable statute and cannot be waived), it being agreed that the Administrative Agent may be a purchaser on behalf of the Secured Parties or on its own behalf at any such sale and that the Administrative Agent, any other Secured Party, or any other Person who may be a bona fide purchaser for value and without notice of any claims of any or all of the Collateral so sold shall thereafter hold the same absolutely free from any claim or right of whatsoever kind, including any equity of redemption of any Grantor, any such demand, notice or right and equity being hereby expressly waived and released to the extent permitted by law; (iv) incur expenses, including attorneys' fees, consultants' fees, and other costs appropriate to the exercise of any right or power under this Security Agreement; (v) perform any obligation of any Grantor hereunder and make payments, purchase, contest or compromise any encumbrance, charge or Lien, and pay taxes and expenses, without, however, any obligation to do so; (vi) in connection with any acceleration and foreclosure, take possession of the Collateral and render it usable and repair and renovate the same, without, however, any obligation to do so, and enter upon any location where the Collateral may be located for that purpose, control, manage, operate, rent and lease the Collateral, collect all rents and income from the Collateral and apply the same to reimburse the Secured Parties for any cost or expenses incurred hereunder or under any of the Credit Documents or under any Hedging Arrangement with Swap Counterparties or in connection with any Banking Services with any Banking Service Provider and to the payment or performance of any Grantor's obligations hereunder or under any of the Credit Documents or any Hedging Arrangement with a Swap Counterparty or in connection with any Banking Services with any Banking Service Provider, and apply the balance to the other Secured Obligations and any remaining excess balance to whomsoever is legally entitled thereto; (vii) secure the appointment of a receiver for the Collateral or any part thereof; (viii) require any Grantor to, and each Grantor hereby agrees that it will at its expense and upon request of the Administrative Agent forthwith, assemble all or part of the Collateral as directed by the Administrative Agent and make it available to the Administrative Agent at a place to be designated by the Administrative Agent which is reasonably convenient to both parties; (ix) exercise any other or additional rights or remedies granted to a secured party under the UCC; or (x) occupy any premises owned or leased by any Grantor where the Collateral or any part thereof is assembled for a reasonable period in order to effectuate its rights and remedies hereunder or under law, without obligation to any Grantor in respect of such occupation. If, pursuant to applicable law, prior notice of sale of the Collateral under this Section is required to be given to any Grantor, each Grantor hereby acknowledges that the minimum time required by such applicable law, or if no minimum time is specified, 10 days, shall be deemed a reasonable notice period. The Administrative Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Administrative Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All costs and expenses (including attorneys' fees and expenses) incurred by the Administrative Agent in connection with any suit or proceeding in connection with the performance by the Administrative Agent of any of the agreements contained in any of the Contract Documents, or in connection with any exercise of its rights or remedies hereunder, pursuant to the terms of this Security Agreement, to the extent the Grantors are obligated to reimburse such expenses pursuant to the Credit Documents, shall constitute additional indebtedness secured by this Security Agreement and shall be paid on demand by the Grantors to the Administrative Agent on behalf of the Secured Parties.

Section 8. Remedies Cumulative; Delay Not Waiver.

(a) No right, power or remedy herein conferred upon or reserved to the Administrative Agent is intended to be exclusive of any other right, power or remedy and every such right, power and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right, power and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder or otherwise shall not prevent the concurrent assertion or employment of any other appropriate right or remedy. Resort to any or all security now or hereafter held by the Administrative Agent may be taken concurrently or successively and in one or several consolidated or independent judicial actions or lawfully taken nonjudicial proceedings, or both.

(b) No delay or omission of the Administrative Agent to exercise any right or power shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every power and remedy given by this Security Agreement may be exercised from time to time, and as often as shall be deemed expedient, by the Administrative Agent.

Section 9. Contract Rights. At any time while an Event of Default is continuing, the Administrative Agent may exercise any of the Contract Rights and remedies of any Grantor under or in connection with the Instruments, Chattel Paper, or Contracts which represent Accounts, the General Intangibles (in each case, other than in connection with any Excluded Property), or which otherwise relate to the Collateral, including, without limitation, any rights of any Grantor to demand or otherwise require payment of any amount under, or performance of any provisions of, the Instruments, Chattel Paper, or Contracts which represent Accounts, or the General Intangibles (in each case, other than Excluded Property).

Section 10. Accounts.

(a) At any time while an Event of Default is continuing, the Administrative Agent may, or may direct any Grantor to, take any action the Administrative Agent deems necessary or advisable to enforce collection of the Accounts, including, without limitation, notifying the account debtors or obligors under any Accounts of the assignment of such Accounts to the Administrative Agent and directing such account debtors or obligors to make payment of all amounts due or to become due directly to the Administrative Agent. Upon such notification and direction, and at the expense of the Grantors, the Administrative Agent may, while such Event of Default is continuing, enforce collection of any such Accounts, and adjust, settle, or compromise the amount or payment thereof in the same manner and to the same extent as any Grantor might have done.

(b) If an Event of Default is continuing, (i) all amounts and Proceeds (including instruments) received by such Grantor in respect of the Accounts shall be received in trust for the benefit of the Administrative Agent hereunder, shall be segregated from other funds of such Grantor, and shall promptly be paid over to the Administrative Agent in the same form as so received (with any necessary indorsement) to be held as Collateral and (ii) no Grantor shall adjust, settle, or compromise the amount or payment of any Account, nor release wholly or partly any account debtor or obligor thereof, nor allow any credit or discount thereon other than in the ordinary course of business.

Section 11. Application of Collateral. The proceeds of any sale, or other realization (other than that received from a sale or other realization permitted by the Credit Agreement) upon all or any part of the Collateral pledged by any Grantor shall be applied by the Administrative Agent as set forth in Section 7.6 of the Credit Agreement.

Section 12. Rights Retained by Grantors. So long as no Event of Default shall have occurred and be continuing, the Grantors shall be entitled (a) to receive and retain all revenues and other moneys pledged hereby as Collateral and the proceeds of any disposition of any of their respective Properties constituting Collateral provided that such disposition is permitted under the Credit Agreement, and (b) to protect, enforce and exercise its rights under any of the Contract Documents; provided, however, that no Grantor shall exercise nor shall it refrain from exercising any such right if such action or inaction, as applicable, would have a materially adverse effect on the value of the applicable Collateral.

Section 13. Administrative Agent as Attorney-in-Fact for Grantor. Each Grantor hereby constitutes and irrevocably appoints the Administrative Agent, acting for and on behalf of itself and the Secured Parties and each successor or assign of the Administrative Agent and the other Secured Parties, the true and lawful attorney-in-fact of such Grantor, with full power and authority in the place and stead of such Grantor and in the name of such Grantor or otherwise, to take any action and execute any instrument at the request or with the consent of the Majority Lenders and enforce all rights, interests and remedies of such Grantor with respect to the Collateral, including the right, at any time while an Event of Default is continuing:

(a) to ask, require, demand, receive and give acquittance for any and all moneys and claims for moneys due and to become due under or arising out of any of the other Collateral, including without limitation, any Insurance Contracts;

(b) to elect remedies thereunder and to endorse any checks or other instruments or orders in connection therewith;

(c) to file any claims or take any action or institute any proceedings in connection therewith which the Administrative Agent may deem to be necessary or advisable;

(d) to pay, settle or compromise all bills and claims which may be or become Liens or security interests against any or all of the Collateral, or any part thereof, unless a bond or other security satisfactory to the Administrative Agent has been provided; and

(e) upon foreclosure, to do any and every act which any Grantor may do on its behalf with respect to the Collateral or any part thereof and to exercise any or all of such Grantor's rights and remedies under any or all of the Collateral.

This power of attorney is a power coupled with an interest and shall be irrevocable until the Payment in Full of Obligations.

Section 14. Administrative Agent May Perform. The Administrative Agent may from time-to-time perform any act which any Grantor has agreed hereunder to perform and which such Grantor shall fail to perform within the time periods required herein after giving effect to any applicable time periods and cure periods in the Credit Documents, and the Administrative Agent may from time-to-time take any other action which the Administrative Agent reasonably deems necessary for the maintenance, preservation or protection of any of the Collateral or of its security interest therein, and the expenses of the Administrative Agent incurred in connection therewith shall be part of the Secured Obligations and shall be secured hereby.

Section 15. Administrative Agent Has No Duty. The powers conferred on the Administrative Agent hereunder are solely to protect its interest in the Collateral and shall not impose any duty on it to exercise any such powers. Except for reasonable care of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Administrative Agent shall have no duty as to any Collateral or responsibility for taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

Section 16. Reasonable Care. The Administrative Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Administrative Agent accords its own Property.

Section 17. Payments Held in Trust. During the continuance of an Event of Default, all payments received by any Grantor under or in connection with any Collateral shall be received in trust for the benefit of the Administrative Agent, and shall be segregated from other funds of such Grantor and shall be forthwith paid over to the Administrative Agent in the same form as received (with any necessary endorsement).

Section 18. Miscellaneous.

(a) Expenses. Section 10.1 of the Credit Agreement is incorporated herein, *mutatis mutandis*, as if a part hereof.

(b) Amendments; Etc. No amendment or waiver of any provision of this Security Agreement nor consent to any departure by any Grantor herefrom shall be effective unless the same shall be in writing and executed by the affected Grantor and the Administrative Agent, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(c) Addresses for Notices. All notices and other communications provided for hereunder shall be made in accordance with Section 10.9 of the Credit Agreement.

(d) Continuing Security Interest; Transfer of Interest. This Security Agreement shall create a continuing security interest in the Collateral (other than as to any Collateral released pursuant to Section 5(b) hereof) and, unless expressly released by the Administrative Agent or released pursuant to Section 5(a) hereof , shall (i) remain in full force and effect, (ii) be binding upon each Grantor and its successors, transferees and assigns, and (iii) inure, together with the rights and remedies of the Administrative Agent hereunder, to the benefit of and be binding upon, each Secured Party (other than the Swap Counterparties and the Banking Service Providers) and each of its successors, transferees, and assigns, and to the benefit of and be binding upon, the Swap Counterparties and the Banking Service Providers and each of their successors, transferees, and assigns only to the extent such successor, transferee, and assign is also a Secured Party. Without limiting the generality of the foregoing clause, when any Lender assigns or otherwise transfers any interest held by it under the Credit Agreement or other Credit Document to any other Person pursuant to the terms of the Credit Agreement or such other Credit Document, that other Person shall thereupon become vested with all the benefits held by such Lender under this Security Agreement. Furthermore, when any Swap Counterparty or Banking Services Provider assigns or otherwise transfers any interest held by it under a Hedging Arrangement or any agreement in respect of Banking Services, as applicable, to any other Person pursuant to the terms of such agreement, that other Person shall thereupon become vested with the benefits held by such Secured Party under this Security Agreement only if such Person independently qualifies as a Secured Party.

(e) Severability. Wherever possible each provision of this Security Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Security Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Security Agreement.

(f) Choice of Law; Service of Process. This Security Agreement shall be deemed a contract under, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to conflicts of laws principles (other than Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York), except to the extent that the validity or perfection of the security interests hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the state of New York. Each Grantor hereby agrees that service of copies of the summons and complaint and any other process which may be served in any such action or proceeding may be made by mailing or

delivering a copy of such process to such Grantor at the address set forth for the Credit Parties in the Credit Agreement. Nothing in this Section shall affect the rights of any Lender to serve legal process in any other manner permitted by the law or affect the right of any Lender to bring any action or proceeding against any Grantor or its Property in the courts of any other jurisdiction.

(g) Submission to Jurisdiction. The Grantors hereby agree that any suit or proceeding arising in respect of this Security Agreement, or any of the matters contemplated hereby will be tried exclusively in the U.S. District Court for the Southern District of New York or, if such court does not have subject matter jurisdiction, in any state court located in the City and County of New York, and the parties hereto hereby agree to submit to the exclusive jurisdiction of, and venue in, such court (except to the extent the Administrative Agent requires submission to any other jurisdiction in connection with the exercise of any rights under any Security Document). Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law. Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable Legal Requirement, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Security Agreement in any court referred to in this Section 18(g). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable Legal Requirement, the defense of any inconvenient forum to the maintenance of such action or proceeding in any such court.

(h) Waiver of Jury. THE GRANTORS HEREBY ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED BY AND HAVE CONSULTED WITH COUNSEL OF THEIR CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

(i) INDEMNIFICATION. EACH GRANTOR SHALL INDEMNIFY THE ADMINISTRATIVE AGENT (AND ANY SUB-AGENT THEREOF), EACH LENDER, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (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 PERSON (INCLUDING THE BORROWER OR ANY OTHER CREDIT PARTY) OTHER THAN SUCH INDEMNITEE AND ITS RELATED PARTIES ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (I) THE EXECUTION OR DELIVERY OF THIS SECURITY AGREEMENT, OTHER CREDIT DOCUMENT, ANY HEDGING ARRANGEMENT WITH A SWAP COUNTERPARTY, OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, (II) ANY ADVANCE OR LETTER OF CREDIT OR THE USE OR PROPOSED USE OF THE PROCEEDS THEREFROM (INCLUDING ANY REFUSAL BY

THE ISSUING LENDER TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT), (III) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY THE PARENT OR ANY OF ITS SUBSIDIARIES, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO THE PARENT OR ANY OF ITS SUBSIDIARIES, OR (IV) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR BY THE PARENT, THE BORROWER OR ANY OTHER CREDIT PARTY, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE APPLICABLE 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) CONSTITUTE ATTORNEYS' FEES, EXPENSES AND CHARGES FOR ANY COUNSEL OTHER THAN (A) ONE PRIMARY COUNSEL OF THE ADMINISTRATIVE AGENT, THE LENDERS, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES (TAKEN AS A WHOLE), (B) IF NECESSARY, A SINGLE FIRM OF LOCAL COUNSEL IN EACH APPROPRIATE JURISDICTION, AND (C) OTHER COUNSEL IF SUCH REPRESENTATION BY A SINGLE COUNSEL WOULD BE INAPPROPRIATE DUE TO THE EXISTENCE OF AN ACTUAL OR REASONABLY PERCEIVED CONFLICT OF INTEREST, (Y) 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'S OBLIGATIONS HEREUNDER OR UNDER ANY OTHER CREDIT DOCUMENT OR HEDGING ARRANGEMENT, AS APPLICABLE, IF THE PARENT, THE BORROWER OR SUCH OTHER CREDIT PARTY HAS OBTAINED A FINAL AND NONAPPEALABLE JUDGMENT IN ITS FAVOR ON SUCH CLAIM AS DETERMINED BY A COURT OF COMPETENT JURISDICTION, OR (Z) RELATE TO ANY PROCEEDING SOLELY BETWEEN OR AMONG INDEMNIFIED PARTIES OTHER THAN (A) CLAIMS AGAINST EITHER THE ADMINISTRATIVE AGENT OR THE LEAD ARRANGERS OR THEIR RESPECTIVE AFFILIATES IN THEIR CAPACITY OR IN FULFILLING THEIR ROLE AS THE ADMINISTRATIVE AGENT OR LEAD ARRANGERS OR ANY OTHER SIMILAR ROLE UNDER THE CREDIT DOCUMENTS (EXCLUDING THE ROLE AS A LENDER) AND (B) CLAIMS ARISING OUT OF ANY ACT OR OMISSION ON THE PART OF THE BORROWER OR ANY OF THE BORROWER'S AFFILIATES. THIS SECTION 18(i) SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM. THE LIABILITIES OF EACH GRANTOR AS SET FORTH IN THIS SECTION 18(i) SHALL SURVIVE THE TERMINATION OF THIS SECURITY AGREEMENT.

(j) Counterparts. The parties may execute this Security Agreement in counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. Delivery of an executed counterpart signature page by facsimile or other electronic transmission is as effective as executing and delivering this Security Agreement in the presence of the other parties to this Security Agreement. In proving this Security Agreement, a party must produce or account only for the executed counterpart of the party to be charged.

(k) Headings. Paragraph headings have been inserted in this Security Agreement as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Security Agreement and shall not be used in the interpretation of any provision of this Security Agreement.

(l) Additional Grantors. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, each Subsidiary of Borrower that was not in existence on the date of the Credit Agreement is required to enter into this Security Agreement as a Grantor within the time period set forth in the Credit Agreement. Upon execution and delivery after the date hereof by the Administrative Agent and such Subsidiary of an instrument in the form of Annex 1, such Subsidiary shall become a Grantor hereunder with the same force and effect as if originally named as a Grantor herein. The execution and delivery of any instrument adding an additional Grantor as a party to this Security Agreement shall not require the consent of any other Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Security Agreement.

(m) Entire Agreement. THIS SECURITY AGREEMENT, THE CREDIT AGREEMENT, AND THE OTHER CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[SIGNATURE PAGES FOLLOW]

The parties hereto have caused this Security Agreement to be duly executed as of the date first above written.

GRANTORS:

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

BERRY PETROLEUM CORPORATION

By: _____
Name: _____
Title: _____

ADMINISTRATIVE AGENT:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

By: _____
Name: _____
Title: _____

SCHEDULE 1
to Security Agreement

GRANTOR INFORMATION

Grantor:	Berry Petroleum Company, LLC
Sole Jurisdiction of Formation / Filing:	Delaware
Type of Organization:	Limited Liability Company
Address where records for Collateral are kept:	5201 Truxton Ave., Suite 100 Bakersfield, California 93309
Organizational Number:	2072291
Federal Tax Identification Number:	81-5410470
Prior Names:	None.
Grantor:	Berry Petroleum Corporation
Sole Jurisdiction of Formation / Filing:	Delaware
Type of Organization:	Corporation
Address where records for Collateral are kept:	5201 Truxton Ave., Suite 100 Bakersfield, California 93309
Organizational Number:	6315824
Federal Tax Identification Number:	77-0079387
Prior Names:	None.

SCHEDULE 2
to Security Agreement

INSTRUMENTS

None.

SUPPLEMENT NO. [ ] dated as of [ ] (the "Supplement"), to the Security Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Security Agreement"), by and among Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent"), each subsidiary of Borrower signatory thereto (together with Borrower and the Parent, the "Grantors" and individually, a "Grantor") and Wells Fargo Bank, National Association, as Administrative Agent under the Credit Agreement (as hereinafter defined) for the benefit of itself and the Secured Parties (as defined in the Credit Agreement).

A. Reference is made to the Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement") by and among Borrower, the lenders party thereto from time to time (the "Lenders"), and Wells Fargo Bank, National Association, as administrative agent for such Lenders (in such capacity, the "Administrative Agent") and as issuing lender (in such capacity, the "Issuing Lender").

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Security Agreement and the Credit Agreement, as applicable.

C. The Grantors have entered into the Security Agreement in order to induce the Lenders to make Advances and the Issuing Lender to issue, extend, and renew Letters of Credit under the Credit Agreement. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, each Subsidiary of Borrower that was not in existence on the date of the Credit Agreement is required to enter into the Security Agreement as a Grantor after becoming a Subsidiary. Section 18(l) of the Security Agreement provides that additional Subsidiaries of Borrower may become Grantors under the Security Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary of Borrower (the "New Grantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Grantor under the Security Agreement in order to induce the Lenders to make additional Advances and the Issuing Lender to issue, extend and renew additional Letters of Credit and as consideration for Advances previously made and Letters of Credit previously issued.

Accordingly, the Administrative Agent and the New Grantor agree as follows:

SECTION 1. In accordance with Section 18(l) of the Security Agreement, the New Grantor by its signature below becomes a Grantor under the Security Agreement with the same force and effect as if originally named therein as a Grantor and the New Grantor hereby (a) agrees to all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct on and as of the date hereof in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof). In furtherance of the foregoing, the

New Grantor, as security for the payment and performance in full of the Secured Obligations (as defined in the Credit Agreement), does hereby create and grant to the Administrative Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a continuing security interest in and Lien on all of the New Grantor's right, title and interest in and to the Collateral (as defined in the Security Agreement) of the New Grantor. Each reference to a "Grantor" in the Security Agreement shall be deemed to include the New Grantor. The Security Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to the Administrative Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

SECTION 3. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Administrative Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Grantor and the Administrative Agent. Delivery of an executed signature page to this Supplement by facsimile or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. The New Grantor hereby represents and warrants that, as of the date hereof, set forth on Schedule 1 attached hereto are (a) its sole jurisdiction of formation and type of organization, (b) the location of all records concerning its Accounts, General Intangibles, or any other Collateral, (c) its federal tax identification number and the organizational number, and (d) all names used by it during the last five years prior to the date of this Supplement.

SECTION 5. [The information listed on Schedule 2 hereto is hereby added to the information set forth on Schedule 2 to the Security Agreement.]

SECTION 6. Except as expressly supplemented hereby, the Security Agreement shall remain in full force and effect.

SECTION 7. THIS SUPPLEMENT SHALL BE DEEMED A CONTRACT UNDER, AND SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTERESTS HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

SECTION 8. Wherever possible each provision of this Supplement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Supplement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Supplement.

SECTION 9. All communications and notices hereunder shall be in writing and given as provided in the Security Agreement. All communications and notices hereunder to the New Grantor shall be given to it at the address for the Credit Parties set forth in the Credit Agreement.

SECTION 10. This Supplement is a Credit Document under the Credit Agreement.

THIS SUPPLEMENT, THE SECURITY AGREEMENT, THE CREDIT AGREEMENT, THE OTHER CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

Exhibit I – Form of Security Agreement
Annex I

IN WITNESS WHEREOF, the New Grantor and the Administrative Agent have duly executed this Supplement to the Security Agreement as of the day and year first above written.

[Name of New Grantor],

By: _____
Name: _____
Title: _____

[ADMINISTRATIVE AGENT]

By: _____
Name: _____
Title: _____

Schedule 1
Supplement No. _____
to the Security Agreement

New Grantor:	[GRANTOR]
Sole Jurisdiction of Formation / Filing:	[STATE]
Type of Organization:	[ENTITY TYPE]
Address where records for Collateral are kept:	[ADDRESS] [CITY, STATE ZIP]
Organizational Number:	_____
Federal Tax Identification Number:	_____
Prior Names:	_____

[Schedule 2
Supplement No. _____
to the Security Agreement

INSTRUMENTS

Exhibit I – Form of Security Agreement
Schedule 2

EXHIBIT J
FORM OF TRANSFER LETTER

_____, 20__

_____

_____

_____

Re: Agreement dated _____, by and between _____, as Seller, and _____, as Buyer (the "Contract").

Ladies and Gentlemen:

Berry Petroleum Company, LLC, a Delaware limited liability company ("Mortgagor"), has executed a mortgage or deed of trust dated effective as of [__], 20[__] ("Mortgage") for the benefit of Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent") for the benefit of itself, the Lenders (as defined in the Mortgage) and certain other secured parties as described in the Mortgage, which Mortgage has been recorded in the Real Property Records of the Counties or Parishes, as applicable, listed on the attached Exhibit A. A copy of the Mortgage is enclosed. The properties covered by the Mortgage include all of the oil, gas and other hydrocarbons and/or other minerals attributable to the above-referenced Contract to which we understand you are currently a party and includes the well or wells listed on the attached Exhibit A with respect to which you are remitting proceeds of production to the Mortgagor. Your division order or lease numbers for such well or wells are set forth on the attached Exhibit A.

Pursuant to Article III of the Mortgage, the Administrative Agent is entitled to receive all of Mortgagor's interest in all Hydrocarbons (as defined in the Mortgage), which are covered by the above-referenced Contract, all products obtained or processed therefrom, and the revenues and proceeds attributable thereto. The assignment of the Hydrocarbons, products and proceeds was effective on [__], 20[__] ("Effective Date"). The Lenders, however, as provided in Article III of the Mortgage, have permitted Mortgagor to collect the Hydrocarbons and the revenues and proceeds attributable thereto until the Administrative Agent or the Mortgagor shall have instructed the seller or purchaser of production to deliver such Hydrocarbons and all proceeds therefrom directly to the Administrative Agent. The purpose of this letter is to notify you that, commencing immediately upon the receipt hereof, and in accordance with the terms and conditions of the Mortgage, and until further notice, you are authorized and directed by Mortgagor to deliver all proceeds attributable to the sale of such Hydrocarbons pursuant to the above-referenced Contract directly to the Administrative Agent at its office at Wells Fargo Bank, National Association, 1700 Lincoln St., Third floor – MAC C7300-033, Denver, Colorado 80203, Attention: [__], Facsimile: [(303) 910-2712], or to such other address of which we may subsequently notify you in writing. If you require the execution of transfer or division orders, please forward the transfer or division orders to the Administrative Agent at its address as indicated above, Attention: [__].

Should you have any questions in connection with any of the foregoing, please do not hesitate to contact us.

[Signature page follows]

Very truly yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

By: _____
Name: _____
Title: _____

BERRY PETROLEUM COMPANY, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A

Name and Location of Well	Division Order or Lease No.

Exhibit J – Form of Transfer Letter
Exhibit A

EXHIBIT K-1

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of July [31], 2017 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent") and as issuing lender, and each lender from time to time party thereto.

Pursuant to the provisions of Section 2.13 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the loan(s) (as well as any Note(s) evidencing such loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT K-2

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of July [31], 2017 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent") and as issuing lender, and each lender from time to time party thereto.

Pursuant to the provisions of Section 2.13 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT K-3

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of July [31], 2017 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent") and as issuing lender, and each lender from time to time party thereto.

Pursuant to the provisions of Section 2.13 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT K-4

FORM OF

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of July [31], 2017 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent") and as issuing lender, and each lender from time to time party thereto.

Pursuant to the provisions of Section 2.13 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the loan(s) (as well as any Note(s) evidencing such loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such loan(s) (as well as any Note(s) evidencing such loan(s)), (iii) with respect to the extension of credit pursuant to this Credit Agreement or any other Credit Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT L

FORM OF RESERVE REPORT CERTIFICATE

[*Insert date.*]

The undersigned officer executing this certificate on behalf of Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), certifies that [s]he is a Responsible Officer of the Borrower, and that as such [s]he is authorized to execute this certificate. Reference is made to that certain Credit Agreement dated as of July [31], 2017 (as amended, restated, amended and restated, or otherwise modified from time to time, the "Credit Agreement") among the Borrower, Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent and issuing lender. Unless otherwise indicated, terms used but not defined herein shall have the meanings given them in the Credit Agreement. This certificate is being delivered pursuant to Section 5.2(c)(iv) of the Credit Agreement.

The undersigned, acting in [her][his] capacity as a Responsible Officer of the Borrower and not in [her][his] individual capacity, does hereby certify on behalf of the Borrower that:

(a) to the best of [her][his] knowledge and in all material respects the information contained in the Engineering Report delivered herewith and any other information delivered in connection therewith is true and correct;

(b) [except with regard to the Properties set forth on Exhibit [__] hereto,] the Credit Parties own the Oil and Gas Properties specified in such Engineering Report free and clear of any Liens (except Permitted Liens);

(c) [except with regard to the Properties set forth on Exhibit [__] hereto,] on and as of the date of such Engineering Report each Oil and Gas Property identified as PDP Reserves therein was developed for oil and gas, and the wells pertaining to such Oil and Gas Properties that are described therein as producing wells, were each producing oil and/or gas in paying quantities, except for Wells that were utilized as water or gas injection wells, carbon dioxide wells or as water disposal wells (each as noted in such Engineering Report);

(d) [except with regard to the Properties set forth on Exhibit [__] hereto,] the descriptions of quantum and nature of the record title interests of the Credit Parties, set forth in such Engineering Report include the entire record title interests of the Credit Parties in such Oil and Gas Properties, are complete and accurate in all material respects, and take into account all Permitted Liens;

(e) there are no "back-in", "reversionary" or "carried" interests held by third parties which could reduce the interests of the Credit Parties in such Oil and Gas Properties except as set forth in, or otherwise accounted for in, the Engineering Report;

(f) [except with regard to the agreements set forth on Exhibit [__] hereto,] no operating or other agreement to which any Credit Party is a party or by which any Credit Party is bound affecting any part of such Oil and Gas Properties requires any Credit Party to bear any of the costs relating to such Oil and Gas Properties greater than the record title interest of any Credit Party in such portion of such Oil and Gas Properties as set forth in such Engineering Report, except in the event any Credit Party is obligated under an operating agreement to assume a portion of a defaulting party's share of costs; and

(g) [except with regard to the Properties set forth in Exhibit [__] hereto,] the Credit Parties' ownership of the Hydrocarbons and the undivided interests in the Oil and Gas Properties as specified in such Engineering Report (i) will, after giving full effect to all Permitted Liens, afford the Credit Parties not less than those net interests (expressed as a fraction, percentage or decimal) in the production from or which is allocated to such Hydrocarbons specified as net revenue interest in such Engineering Report and (ii) will cause the Credit Parties to bear not more than that portion (expressed as a fraction, percentage or decimal), specified as working interest in such Engineering Report, of the costs of drilling, developing and operating the wells identified in such Engineering Report or identified in the exhibits to the Mortgages encumbering such Oil and Gas Properties (except for any increases in working interest with a corresponding increase in the net revenue interest in such Oil and Gas Property).

[*Signature follows.*]

EXECUTED AND DELIVERED as of the date first set forth above.

BERRY PETROLEUM COMPANY, LLC

By: _____
Name: _____
Title: _____

Exhibit L – Form of Reserve Report Certificate

EXHIBIT [ ]

Exhibit L – Form of Reserve Report Certificate

Exhibit 10.18

Execution Version

GUARANTY AGREEMENT

This Guaranty Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, this "Guaranty") is executed by each of the undersigned (individually a "Guarantor" and collectively, the "Guarantors"), in favor of Wells Fargo Bank, National Association, as the administrative agent (in such capacity, the "Administrative Agent") for the benefit of the Secured Parties (as defined in the Credit Agreement referred to herein) and as the issuing lender (in such capacity, the "Issuing Lender").

INTRODUCTION

A. This Guaranty is given in connection with that certain Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, the lenders party thereto from time to time (individually, a "Lender" and collectively, the "Lenders"), the Administrative Agent and the Issuing Lender.

B. Each Guarantor (other than the Borrower, as a Guarantor) is an Affiliate of the Borrower, and the Borrower, as a Guarantor, is an Affiliate of each other Guarantor, and (i) the transactions contemplated by the Credit Agreement and the other Credit Documents, (ii) the Hedging Arrangements entered into by any Guarantor with a Swap Counterparty, and (iii) the Banking Services provided by any Banking Services Provider to any Guarantor, each are (a) in furtherance of such Affiliate's limited liability company or corporate purposes, (b) necessary or convenient to the conduct, promotion or attainment of such Affiliate's business, and (c) for such Affiliate's direct or indirect benefit.

C. Each Guarantor is executing and delivering this Guaranty (i) to induce the Lenders to provide and to continue to provide Advances under the Credit Agreement, (ii) to induce the Issuing Lender to provide and to continue to provide Letters of Credit under the Credit Agreement, and (iii) intending it to be a legal, valid, binding, enforceable and continuing obligation of such Guarantor.

NOW, THEREFORE, in consideration of the premises, the Administrative Agent and each Guarantor hereby agrees as follows:

Section 1. Definitions. All capitalized terms not otherwise defined in this Guaranty, including those in the preamble and introduction above, that are defined in the Credit Agreement shall have the meanings assigned to such terms by the Credit Agreement. As used herein, the term "Guarantor" includes the Borrower as a guarantor of Guaranteed Obligations hereunder, and the term "Borrower" refers to such entity in its capacity other than as a guarantor hereunder.

Section 2. Guaranty.

(a) Each Guarantor hereby absolutely, unconditionally and irrevocably guarantees the punctual payment and performance, when due, whether at stated maturity, by acceleration or otherwise, of all Secured Obligations other than any thereof for which it is primarily liable (collectively, the "Guaranteed Obligations"); provided, however, that as used herein "Guaranteed Obligations" shall not include the Excluded Swap Obligations. Without limiting the generality of the foregoing, each Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by any other Credit Party to the Administrative Agent, the Issuing Lender or any Lender under the Credit Documents and by any other Credit Party to a Swap Counterparty, Banking Services Provider, or any other Secured Party but for the fact that they are unenforceable or not allowable due to insolvency or the existence of a bankruptcy, reorganization or similar proceeding involving any other Credit Party. Notwithstanding the foregoing, the Guaranteed Obligations of any Guarantor shall not include the Excluded Swap Obligations of such Guarantor.

(b) In order to provide for just and equitable contribution among the Guarantors, the Guarantors agree that in the event a payment shall be made on any date under this Guaranty by any Guarantor (the "Funding Guarantor"), each other Guarantor (each a "Contributing Guarantor") shall indemnify the Funding Guarantor in an amount equal to the amount of such payment, in each case multiplied by a fraction the numerator of which shall be the net worth of the Contributing Guarantor as of such date and the denominator of which shall be the aggregate net worth of all the Contributing Guarantors together with the net worth of the Funding Guarantor as of such date. Any Contributing Guarantor making any payment to a Funding Guarantor pursuant to this Section 2(b) shall be subrogated to the rights of such Funding Guarantor to the extent of such payment.

(c) Anything contained in this Guaranty to the contrary notwithstanding, the obligations of each Guarantor under this Guaranty on any date shall be limited to a maximum aggregate amount equal to the largest amount that would not, on such date, render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of the Bankruptcy Code of the United States or any applicable provisions of comparable laws relating to bankruptcy, insolvency, or reorganization, or relief of debtors (collectively, the "Fraudulent Transfer Laws"), but only to the extent that any Fraudulent Transfer Law has been found in a final non-appealable judgment of a court of competent jurisdiction to be applicable to such obligations as of such date, in each case:

(i) after giving effect to all liabilities of such Guarantor, contingent or otherwise, that are relevant under the Fraudulent Transfer Laws, but specifically excluding:

(A) any liabilities of such Guarantor in respect of intercompany indebtedness to other Affiliates of the Borrower to the extent that such indebtedness would be discharged in an amount equal to the amount paid by such Guarantor hereunder; and

(B) any liabilities of such Guarantor under this Guaranty; and

(ii) after giving effect as assets to the value (as determined under the applicable provisions of the Fraudulent Transfer Laws) of any rights to subrogation, reimbursement, indemnification or contribution of such Guarantor pursuant to applicable law or pursuant to the terms of any agreement (including any such right of contribution under Section 2(b)).

Section 3. Guaranty Absolute. Each Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Credit Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Secured Party with respect thereto but subject to Section 2(c) above. The obligations of each Guarantor under this Guaranty are independent of the Guaranteed Obligations, and a separate action or actions may be brought and prosecuted against a Guarantor to enforce this Guaranty, irrespective of whether any action is brought against any other Guarantor or any other Person or whether any other Guarantor or any other Person is joined in any such action or actions. The liability of each Guarantor under this Guaranty shall be irrevocable, absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives, to the extent not prohibited by applicable law, any defenses it may now or hereafter have (other than a defense of payment or performance) in any way relating to, any or all of the following:

(a) any lack of validity or enforceability of any Credit Document or any agreement or instrument relating thereto or any part of the Guaranteed Obligations being irrecoverable;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to departure from any Credit Document or any agreement or instrument relating to Hedging Arrangements with a Swap Counterparty, or agreement relating to Banking Services with a Banking Services Provider, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to the Borrower or otherwise;

(c) any taking, exchange, release or non-perfection of any Lien on any collateral, or any taking, release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations;

(d) any manner of application of collateral, or proceeds thereof, to all or any of the Guaranteed Obligations, or any manner of sale or other disposition of any collateral for all or any of the Guaranteed Obligations or any other obligations of any other Person under the Credit Documents or any other assets of any Guarantor;

(e) any change, restructuring or termination of the corporate, limited liability company, or partnership structure or existence of any Guarantor;

(f) any failure of any Secured Party to disclose to any Guarantor any information relating to the business, condition (financial or otherwise), operations, Properties or prospects of any Person now or in the future known to the Administrative Agent, the Issuing Lender, any Lender or any other Secured Party (and each Guarantor hereby irrevocably waives any duty on the part of any Secured Party to disclose such information);

(g) any signature of any officer of any Guarantor being mechanically reproduced in facsimile or otherwise; or

(h) any other circumstance or any existence of or reliance on any representation by any Secured Party that might otherwise constitute a defense available to, or a discharge of any Guarantor or any other guarantor, surety or other Person, other than the payment in full, in cash, of the Guaranteed Obligations.

Section 4. Continuation and Reinstatement, Etc. Each Guarantor agrees that, to the extent that payments of any of the Guaranteed Obligations are made, or any Secured Party receives any proceeds of collateral, and such payments or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, or otherwise required to be repaid, then to the extent of such repayment the Guaranteed Obligations shall be reinstated and continued in full force and effect as of the date such initial payment or collection of proceeds occurred. **THE LIABILITIES OF EACH GUARANTOR AS SET FORTH IN THIS SECTION 4 SHALL SURVIVE THE TERMINATION OF THIS GUARANTY.**

Section 5. Waivers and Acknowledgments.

(a) Each Guarantor, to the extent not prohibited by applicable law, hereby waives promptness, diligence, presentment, notice of acceptance and any other notice with respect to any of the Guaranteed Obligations and this Guaranty and any requirement that any Secured Party protect, secure, perfect or insure any Lien or any Property or exhaust any right or take any action against the Borrower or any other Person or any collateral.

(b) Each Guarantor, to the extent not prohibited by applicable law, hereby irrevocably waives any right to revoke this Guaranty, and acknowledges that this Guaranty is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

(c) Each Guarantor acknowledges that it will receive substantial direct or indirect benefits from (i) the financing arrangements involving the Borrower or any Guarantor contemplated by the Credit Documents, (ii) the Hedging Arrangements of any Guarantor with a Swap Counterparty, and (iii) the Banking Services provided to any Guarantor, and that the waivers set forth in this Guaranty are knowingly made in contemplation of such benefits.

Section 6. Subrogation and Subordination.

(a) No Guarantor will exercise any rights that it may now have or hereafter acquire against any other Person to the extent that such rights arise from the existence, payment, performance or enforcement of such Guarantor's obligations under this Guaranty or any other Credit Document, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Secured Party against any other Person, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any other Person, directly or indirectly, in cash or other Property or by set-off or in any other manner, payment or security on account of such claim, remedy or right, unless and until the Payment in Full of Obligations. If any amount shall be paid to a Guarantor in violation of the preceding sentence at any time prior to or on the date of the Payment in Full of Obligations, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Administrative Agent to be credited and applied to the Guaranteed Obligations and any and all other amounts payable by the Guarantors under this Guaranty, whether matured or unmatured, in accordance with the terms of the Credit Documents.

(b) Each Guarantor agrees that, until after the Payment in Full of Obligations, all Subordinated Guarantor Obligations (as hereinafter defined) are and shall be subordinate and inferior in rank, preference and priority (in liquidation, dissolution, bankruptcy, reorganization, or otherwise) to all obligations of such Guarantor in respect of the Guaranteed Obligations hereunder, and such Guarantor shall, if requested by the Administrative Agent, execute a subordination agreement reasonably satisfactory to the Administrative Agent to more fully set out the terms of such subordination, it being understood that unless an Event of Default has occurred and is continuing, payments and prepayments in respect of such Subordinated Guarantor Obligations may be made from time to time. Each Guarantor agrees that none of the Subordinated Guarantor Obligations shall be secured by a Lien or security interest on any assets of such Guarantor or any ownership interests in any Subsidiary of such Guarantor. "Subordinated Guarantor Obligations" means any and all obligations and liabilities of a Guarantor owing to any other Guarantor, direct or contingent, due or to become due, now existing or hereafter arising, including, without limitation, all future advances, with interest, attorneys' fees, expenses of collection and costs.

Section 7. Representations and Warranties. Each Guarantor hereby represents and warrants as follows:

(a) There are no conditions precedent to the effectiveness of this Guaranty. Such Guarantor benefits from executing this Guaranty.

(b) Such Guarantor has, independently and without reliance upon the Administrative Agent, any Lender or any other Secured Party, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Guaranty, and such Guarantor has established adequate means of obtaining from the Borrower and each other relevant Person on a continuing basis information pertaining to, and is now and on a continuing basis will be completely familiar with, the business, condition (financial and otherwise), operations, Properties and prospects of the Borrower and each other relevant Person.

(c) The obligations of such Guarantor under this Guaranty are the valid, binding and legally enforceable obligations of such Guarantor, (except as limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws at the time in effect affecting the rights of creditors generally and (ii) general principles of equity whether applied by a court of law or equity), and the execution and delivery of this Guaranty by such Guarantor has been duly and validly authorized in all respects by all requisite corporate, limited liability company or partnership actions, as applicable, on the part of such Guarantor, and the Person who is executing and delivering this Guaranty on behalf of such Guarantor has full power, authority and legal right to so do, and to observe and perform all of the terms and conditions of this Guaranty on such Guarantor's part to be observed or performed.

Section 8. Right of Set-Off. Upon the occurrence and while there is continuing any Event of Default, any Lender or the Administrative Agent, the Issuing Lender and any other Secured Party is hereby authorized at any time, to the fullest extent permitted by law, to set-off and apply any deposits (general or special, time or demand, provisional or final) and other

indebtedness owing by such Secured Party to the account of each Guarantor against any and all of the obligations of the Guarantors under this Guaranty, irrespective of whether or not such Secured Party shall have made any demand under this Guaranty and although such obligations may be contingent and unmatured or are owed to another branch or office of a Secured Party different from the branch or office holding such deposit or obligated on such indebtedness. Such Secured Party shall promptly notify the affected Guarantor after any such set-off and application is made, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Secured Parties under this Section 8 are in addition to other rights and remedies (including, without limitation, other rights of set-off) which any Secured Party may have.

Section 9. Amendments, Etc. No amendment or waiver of any provision of this Guaranty and no consent to any departure by any Guarantor therefrom shall in any event be effective, except to the extent permitted by Section 10.3 of the Credit Agreement, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 10. Notices, Etc. All notices and other communications provided for hereunder shall be sent in the manner provided for in Section 10.9 of the Credit Agreement.

Section 11. No Waiver: Remedies. No failure on the part of the Administrative Agent or any other Secured Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 12. Continuing Guaranty: Assignments under the Credit Agreement. This Guaranty is a continuing guaranty and shall (a) remain in full force and effect until the Payment in Full of Obligations, (b) be binding upon each Guarantor and its successors and assigns, (c) inure to the benefit of and be enforceable by the Administrative Agent, each Lender and the Issuing Lender and their respective successors, and, in the case of transfers and assignments made in accordance with the Credit Agreement, transferees and assigns, and (d) inure to the benefit of and be enforceable by each Secured Party and each of its successors, transferees and assigns to the extent such successor, transferee or assign also falls within the definition of Secured Party. Without limiting the generality of the foregoing clause (c), subject to Section 10.7 of the Credit Agreement, any Lender may assign or otherwise transfer all or any portion of its rights and obligations under the Credit Agreement (including, without limitation, all or any portion of its Commitment, the Advances owing to it and the Note or Notes held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Lender herein or otherwise, subject, however, in all respects to the provisions of the Credit Agreement. Each Guarantor acknowledges that upon any Person becoming a Lender, the Administrative Agent or the Issuing Lender in accordance with the Credit Agreement, such Person shall be entitled to the benefits hereof.

Section 13. Governing Law; Service of Process. This Guaranty shall be deemed a contract under, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to conflicts of laws principles (other than Sections 5-1401

and 5-1402 of the General Obligations Law of the State of New York). Each Guarantor hereby agrees that service of copies of the summons and complaint and any other process which may be served in any such action or proceeding may be made by mailing or delivering a copy of such process to such Guarantor at the address set forth for the Credit Parties in the Credit Agreement. Nothing in this Section shall affect the rights of any Lender to serve legal process in any other manner permitted by the law or affect the right of any Lender to bring any action or proceeding against any Guarantor or its Property in the courts of any other jurisdiction.

Section 14. Submission to Jurisdiction. Each Guarantor irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, the Issuing Lender or any Related Party of the foregoing in any way relating to this Guaranty or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent, any Lender, or the Issuing Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

Section 15. Waiver of Jury. THE GUARANTORS HEREBY ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED BY AND HAVE CONSULTED WITH COUNSEL OF THEIR CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS GUARANTY OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 16. **INDEMNIFICATION. EACH GUARANTOR SHALL INDEMNIFY THE ADMINISTRATIVE AGENT (AND ANY SUB-AGENT THEREOF), EACH LENDER, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (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 PERSON (INCLUDING THE BORROWER OR ANY OTHER CREDIT PARTY) OTHER THAN SUCH INDEMNITEE AND ITS RELATED PARTIES ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (I) THE EXECUTION OR DELIVERY OF THIS GUARANTY, ANY OTHER CREDIT**

DOCUMENT, ANY HEDGING ARRANGEMENT WITH A SWAP COUNTERPARTY, OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, (II) ANY ADVANCE OR LETTER OF CREDIT OR THE USE OR PROPOSED USE OF THE PROCEEDS THEREFROM (INCLUDING ANY REFUSAL BY THE ISSUING LENDER TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT), (III) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY THE PARENT OR ITS SUBSIDIARIES, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO ANY GUARANTOR, OR (IV) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR BY THE PARENT, THE BORROWER OR ANY OTHER CREDIT PARTY, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE APPLICABLE 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) CONSTITUTE ATTORNEYS' FEES, EXPENSES AND CHARGES FOR ANY COUNSEL OTHER THAN (A) ONE PRIMARY COUNSEL OF THE ADMINISTRATIVE AGENT, THE LENDERS, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES (TAKEN AS A WHOLE), (B) IF NECESSARY, A SINGLE FIRM OF LOCAL COUNSEL IN EACH APPROPRIATE JURISDICTION, AND (C) OTHER COUNSEL IF SUCH REPRESENTATION BY A SINGLE COUNSEL WOULD BE INAPPROPRIATE DUE TO THE EXISTENCE OF AN ACTUAL OR REASONABLY PERCEIVED CONFLICT OF INTEREST, (Y) 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'S OBLIGATIONS HEREUNDER OR UNDER ANY OTHER CREDIT DOCUMENT OR HEDGING ARRANGEMENT, AS APPLICABLE, IF THE PARENT, THE BORROWER OR SUCH CREDIT PARTY HAS OBTAINED A FINAL AND NONAPPEALABLE JUDGMENT IN ITS FAVOR ON SUCH CLAIM AS DETERMINED BY A COURT OF COMPETENT JURISDICTION, OR (Z) RELATE TO ANY PROCEEDING SOLELY BETWEEN OR AMONG INDEMNIFIED PARTIES OTHER THAN (A) CLAIMS AGAINST EITHER THE ADMINISTRATIVE AGENT OR THE LEAD ARRANGERS OR THEIR RESPECTIVE AFFILIATES IN THEIR CAPACITY OR IN FULFILLING THEIR ROLE AS THE ADMINISTRATIVE AGENT OR LEAD ARRANGERS OR ANY OTHER SIMILAR ROLE UNDER THE CREDIT DOCUMENTS (EXCLUDING THE ROLE AS A LENDER) AND (B) CLAIMS ARISING OUT OF ANY ACT OR OMISSION ON THE PART OF THE BORROWER OR ANY OF THE BORROWER'S AFFILIATES. THIS SECTION 16

SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM. THE LIABILITIES OF EACH GUARANTOR AS SET FORTH IN THIS SECTION 16 SHALL SURVIVE THE TERMINATION OF THIS GUARANTY.

Section 17. Additional Guarantors. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, Affiliates of the Borrower that were not in existence on the date of the Credit Agreement are required to enter into this Guaranty as a Guarantor within the time period specified in the Credit Agreement. Upon execution and delivery after the date hereof by the Administrative Agent and such Affiliatae of an instrument in the form of Annex 1, such Subsidiary shall become a Guarantor hereunder with the same force and effect as if originally named as a Guarantor herein. The execution and delivery of any instrument adding an additional Guarantor as a party to this Guaranty shall not require the consent of any other Guarantor hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party to this Guaranty.

Section 18. USA Patriot Act. Each Secured Party that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any other Secured Party) hereby notifies each Guarantor that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies such Guarantor, which information includes the name and address of such Guarantor and other information that will allow such Secured Party or the Administrative Agent, as applicable, to identify such Guarantor in accordance with the Act. Following a request by any Secured Party, each Guarantor shall promptly furnish all documentation and other information that such Secured Party reasonably requests in order to comply with its ongoing obligations under the applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

Section 19. Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Credit Party to honor all of its obligations under this Guaranty in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 19 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 19, or otherwise under this Guaranty, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until the Payment in Full of Obligations. Each Qualified ECP Guarantor intends that this Section 19 constitute, and this Section 19 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Credit Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

THIS GUARANTY AND THE OTHER CREDIT DOCUMENTS, AS DEFINED IN THE CREDIT AGREEMENT REFERRED TO IN THIS GUARANTY, REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[Remainder of this page intentionally left blank.]

Each Guarantor has caused this Guaranty to be duly executed as of the date first above written.

GUARANTOR:

BERRY PETROLEUM COMPANY, LLC

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and
Chief Financial Officer

SUPPLEMENT NO. ____ dated as of _____(the "Supplement"), to the Guaranty Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Guaranty Agreement"), executed by Berry Petroleum Company, LLC and Berry Petroleum Corporation, (the "Guarantors") and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent") for the benefit of the Secured Parties (as defined in the Credit Agreement referred to herein).

A. Reference is made to the Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation, the lenders from time to time party thereto (the "Lenders"), the Administrative Agent, and Wells Fargo Bank, National Association, as the issuing lender (the "Issuing Lender").

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Guaranty Agreement or the Credit Agreement, as applicable.

C. The Guarantors have entered into the Guaranty Agreement in order to induce the Lenders to make Advances and the Issuing Lender to issue Letters of Credit. Section 17 of the Guaranty Agreement provides that additional Affiliates of the Borrower may become Guarantors under the Guaranty Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Affilaite of the Borrower (the "New Guarantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Guarantor under the Guaranty Agreement in order to induce the Lenders to make additional Advances and the Issuing Lender to issue additional Letters of Credit and as consideration for Advances previously made and Letters of Credit previously issued.

Accordingly, the Administrative Agent and the New Guarantor agree as follows:

SECTION 1. In accordance with Section 17 of the Guaranty Agreement, the New Guarantor by its signature below becomes a Guarantor under the Guaranty Agreement with the same force and effect as if originally named therein as a Guarantor and the New Guarantor hereby (a) agrees to all the terms and provisions of the Guaranty Agreement applicable to it as a Guarantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Guarantor thereunder are true and correct in all material respects on and as of the date hereof (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof). Each reference to a "Guarantor" in the Guaranty Agreement shall be deemed to include the New Guarantor. The Guaranty Agreement is hereby incorporated herein by reference.

SECTION 2. The New Guarantor represents and warrants to the Administrative Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it by all requisite corporate, limited liability company or partnership action and

constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

SECTION 3. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Administrative Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Guarantor and the Administrative Agent. Delivery of an executed signature page to this Supplement by facsimile or other electronic transmission shall be as effective as delivery of a manually executed counterpart of this Supplement.

SECTION 4. Except as expressly supplemented hereby, the Guaranty Agreement shall remain in full force and effect.

SECTION 5. This Supplement shall be deemed a contract under, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to conflicts of laws principles (other than Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York). The New Guarantor hereby agrees that service of copies of the summons and complaint and any other process which may be served in any such action or proceeding may be made by mailing or delivering a copy of such process to the New Guarantor at the address set forth on the signature page to this Supplement. Nothing in this Section shall affect the rights of any Lender to serve legal process in any other manner permitted by the law or affect the right of any Lender to bring any action or proceeding against the New Guarantor or its Property in the courts of any other jurisdiction.

SECTION 6. The New Guarantor hereto hereby irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, the Issuing Lender or any Related Party of the foregoing in any way relating to this Agreement or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Supplement or in any other Loan Document shall affect any right that the Administrative Agent, any Lender, or the Issuing Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

SECTION 7. THE NEW GUARANTOR HEREBY ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY AND HAS CONSULTED WITH COUNSEL OF ITS CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 8. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Guaranty Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision hereof in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 9. All communications and notices hereunder shall be in writing and given as provided in Section 10 of the Guaranty Agreement.

THIS SUPPLEMENT, THE GUARANTY AGREEMENT AND THE OTHER CREDIT DOCUMENTS, AS DEFINED IN THE CREDIT AGREEMENT REFERRED TO IN THIS SUPPLEMENT, REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the New Guarantor and the Administrative Agent have duly executed this Supplement to the Guaranty Agreement as of the day and year first above written.

[Name of New Guarantor]

By: _____
Name: _____
Title: _____

Address for New Guarantor:

_____
_____

WELLS FARGO BANK,
NATIONAL ASSOCIATION,
as Administrative Agent

By: _____
Name: _____
Title: _____

Exhibit 10.19

Execution Version

PLEDGE AGREEMENT

This Pledge Agreement dated as of July 31, 2017 (this "Pledge Agreement") is by and among each of the undersigned (individually, a "Pledgor" and collectively the "Pledgors") and Wells Fargo Bank, National Association, as administrative agent (in such capacity the "Administrative Agent") under the Credit Agreement (as hereinafter defined), for its benefit and the benefit of the Secured Parties (as defined in the Credit Agreement described below) and as the issuing lender (in such capacity, the "Issuing Lender").

RECITALS

A. This Pledge Agreement is entered into in connection with that certain Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified prior to the date hereof, the "Credit Agreement"), among Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), Berry Petroleum Corporation, a Delaware corporation, as parent guarantor, the lenders party thereto, and the Administrative Agent and Issuing Lender.

B. In connection with the Credit Agreement, each Pledgor desires to execute and deliver the Pledge Agreement.

C. Each Pledgor (other than Borrower) is an Affiliate of Borrower and will derive substantial direct or indirect benefit from (i) the transactions contemplated by the Credit Agreement and the other Credit Documents, (ii) the Hedging Arrangements entered into by any Credit Party with a Swap Counterparty, (iii) any Banking Services agreements entered into by any Credit Party with a Banking Services Provider, and (iv) any other incurrence of Secured Obligations by a Credit Party.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, each Pledgor hereby agrees with the Administrative Agent for the benefit of the Secured Parties as follows:

Section 1. Definitions. Any terms used in this Pledge Agreement that are defined in the Uniform Commercial Code in effect in the State of New York from time to time (the "UCC") and not otherwise defined herein or in the Credit Agreement, shall have the meanings assigned to those terms by the UCC. All meanings to defined terms, unless otherwise indicated, are to be equally applicable to both the singular and plural forms of the terms defined. Article, Section, Schedule, and Exhibit references are to Articles and Sections of and Schedules and Exhibits to this Pledge Agreement, unless otherwise specified. All references to instruments, documents, contracts, and agreements are references to such instruments, documents, contracts, and agreements as the same may be amended, supplemented, and otherwise modified from time to time, unless otherwise specified. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Pledge Agreement shall refer to this Pledge Agreement as a whole and not to any particular

provision of this Pledge Agreement. As used herein, the term "including" means "including, without limitation,". Paragraph headings have been inserted in this Pledge Agreement as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Pledge Agreement and shall not be used in the interpretation of any provision of this Pledge Agreement**.**

Section 2. Pledge.

2.01. Grant of Pledge.

(a) Each Pledgor hereby pledges to the Administrative Agent, and grants to the Administrative Agent, for the benefit of the Secured Parties, a continuing security interest in, the Pledged Collateral, as defined in Section 2.02 below. This Pledge Agreement shall secure the Secured Obligations.

(b) Notwithstanding anything contained herein to the contrary, it is the intention of each Pledgor, the Administrative Agent and the other Secured Parties that the amount of the Secured Obligations secured by each Pledgor's interests in any of its Property (whether real or personal, or mixed, tangible or intangible) shall be in, but not in excess of, the maximum amount permitted by fraudulent conveyance, fraudulent transfer and other similar law, rule or regulation of any Governmental Authority applicable to such Pledgor. Accordingly, notwithstanding anything to the contrary contained in this Pledge Agreement or in any other agreement or instrument executed in connection with the payment of any of the Secured Obligations, the amount of the Secured Obligations secured by each Pledgor's interests in any of its Property pursuant to this Pledge Agreement shall be limited to an aggregate amount equal to the largest amount that would not render such Pledgor's obligations hereunder or the Liens and security interest granted to the Administrative Agent hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provision of any other applicable law.

2.02. Pledged Collateral. "Pledged Collateral" shall mean all of each Pledgor's right, title, and interest in the following, whether now owned or hereafter acquired:

(a) (i) all of the membership interests of any issuer (other than an Unrestricted Subsidiary) held by such Pledgor, including those membership interests (if any) listed in the attached Schedule 2.02(a) issued to such Pledgor and any such additional membership interests of any issuer (other than an Unrestricted Subsidiary) of such interests hereafter acquired by such Pledgor, other than any Excluded Property (the "Membership Interests"), (ii) the certificates representing the Membership Interests, if any, and (iii) all rights to money or Property which such Pledgor now has or hereafter acquires in respect of the Membership Interests, including, without limitation, (A) any proceeds from a sale by or on behalf of such Pledgor of any of the Membership Interests, and (B) any distributions, dividends, cash, instruments and other Property from time-to-time received or otherwise distributed in respect of the Membership Interests, whether regular, special or made in connection with the partial or total liquidation of the issuer and whether attributable to profits, the return of any contribution or investment or otherwise attributable to the Membership Interests or the ownership thereof (collectively, the "Membership Interests Distributions");

(b) (i) all of the general and limited partnership interests of any issuer (other than an Unrestricted Subsidiary) held by such Pledgor, including those general and limited partnership interests (if any) listed in the attached Schedule 2.02(b) issued to such Pledgor and all such additional limited or general partnership interests of any issuer (other than an Unrestricted Subsidiary) of such interests hereafter acquired by such Pledgor, other than any Excluded Property (the "Partnership Interests"), and (ii) all rights to money or Property which such Pledgor now has or hereafter acquires in respect of the Partnership Interests, including, without limitation, (A) any proceeds from a sale by or on behalf of such Pledgor of any of the Partnership Interests, and (B) any distributions, dividends, cash, instruments and other Property from time-to-time received or otherwise distributed in respect of the Partnership Interests, whether regular, special or made in connection with the partial or total liquidation of the issuer and whether attributable to profits, the return of any contribution or investment or otherwise attributable to the Partnership Interests or the ownership thereof (collectively, the "Partnership Interests Distributions");

(c) (i) all of the shares of stock of any issuer (other than an Unrestricted Subsidiary) held by such Pledgor, including those shares of stock (if any) listed in the attached Schedule 2.02(c) issued to such Pledgor and all such additional shares of stock of any issuer (other than an Unrestricted Subsidiary) of such shares of stock hereafter issued to such Pledgor, other than any Excluded Property (the "Pledged Shares"), (ii) the certificates representing the Pledged Shares, if any, and (iii) all rights to money or Property which such Pledgor now has or hereafter acquires in respect of the Pledged Shares, including, without limitation, (A) any proceeds from a sale by or on behalf of such Pledgor of any of the Pledged Shares, and (B) any distributions, dividends, cash, instruments and other Property from time-to-time received or otherwise distributed in respect of the Pledged Shares, whether regular, special or made in connection with the partial or total liquidation of the issuer and whether attributable to profits, the return of any contribution or investment or otherwise attributable to the Pledged Shares or the ownership thereof (collectively, the "Pledged Shares Distributions"; together with the Membership Interests Distributions and the Partnership Interest Distributions, the "Distributions"); and

(d) all proceeds from the Pledged Collateral described in paragraphs (a), (b) and (c) of this Section 2.02.

2.03. Delivery of Pledged Collateral. All certificates or instruments, if any, representing the Pledged Collateral shall be delivered to the Administrative Agent and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Administrative Agent. After the occurrence and during the continuance of an Event of Default, the Administrative Agent shall have the right to transfer to or to register in the name of the Administrative Agent or any of its nominees any of the Pledged Collateral, subject to the rights specified in Section 2.04. In addition, after the occurrence and during the continuance of an Event of Default, the Administrative Agent shall have the right at any time to exchange the certificates or instruments representing the Pledged Collateral for certificates or instruments of smaller or larger denominations.

2.04. Rights Retained by Pledgor. Notwithstanding the pledge in Section 2.01,

(a) so long as no Event of Default shall have occurred and be continuing, (i) each Pledgor shall be entitled to receive and retain any dividends and other Distributions paid on or in respect of the Pledged Collateral and the proceeds of any sale of the Pledged Collateral; and (ii) each Pledgor shall be entitled to exercise any voting and other consensual rights pertaining to its Pledged Collateral for any purpose not inconsistent with the terms of this Pledge Agreement or the Credit Agreement; provided, however, that no Pledgor shall exercise nor shall it refrain from exercising any such right if such action or inaction, as applicable, would have a materially adverse effect on the value of the Pledged Collateral, taken as a whole; and

(b) if an Event of Default shall have occurred and be continuing, each Pledgor shall promptly execute and deliver (or cause to be executed and delivered) to the Administrative Agent all proxies and other instruments as the Administrative Agent may reasonably request to enable the Administrative Agent to (A) exercise the voting and other rights which such Pledgor is entitled to exercise pursuant to Section 2.04(a), and (B) receive any Distributions and proceeds of sale of the Pledged Collateral which such Pledgor is authorized to receive and retain pursuant to paragraph Section 2.04(a)(i).

Section 3. Pledgor's Representations and Warranties. Each Pledgor represents and warrants to the Administrative Agent and the other Secured Parties as follows:

(a) The Pledged Collateral (if any) applicable to such Pledgor listed on the attached Schedules 2.02(a), 2.02(b) and 2.02(c) have been duly authorized and validly issued to such Pledgor and are fully paid and nonassessable.

(b) Such Pledgor is the legal and beneficial owner of the Pledged Collateral free and clear of any Lien or option, except for Liens permitted under clauses (a), (b), (c), (j) or (p) of Section 6.2 of the Credit Agreement.

(c) (i) the Membership Interests listed on the attached Schedule 2.02(a) constitute the percentage of the issued and outstanding membership interests of the respective issuer thereof set forth on Schedule 2.02(a) (after giving effect to any supplements thereto but subject to the time periods specified in Section 5.6 or 5.7 of the Credit Agreement, as applicable, for the delivery of any such supplements) and all of the Equity Interest (if any) in such issuer in which the Pledgor has any ownership interest, and, except as set forth on Schedule 2.02(a), such Membership Interests are not represented by any certificate or instrument and are not "securities" governed by Article 8 of the UCC and (ii) except as set forth on Schedule 2.02(a), no Membership Interest (A) is dealt in or traded on securities exchanges or in securities markets, (B) is held in a securities account, or (C) expressly provides that such Membership Interest is a security governed by Article 8 of the UCC.

(d) The Partnership Interests (if any) listed on the attached Schedule 2.02(b) (after giving effect to any supplements thereto but subject to the time periods specified in Section 5.6 or 5.7 of the Credit Agreement, as applicable, for the delivery of any such supplements) constitute the percentage of the issued and outstanding general and limited partnership interests of the respective issuer thereof set forth on Schedule 2.02(b) and all of the Equity Interest in such issuer in which the Pledgor has any ownership interest, and, except as set forth on Schedule 2.02(b), such Partnership Interests are not represented by any certificate or instrument and are not "securities" governed by Article 8 of the UCC. Except as set forth on Schedule 2.02(a), no Partnership Interest (i) is dealt in or traded on securities exchanges or in securities markets, (ii) is held in a securities account, or (iii) expressly provides that such Partnership Interest is a security governed by Article 8 of the UCC.

(e) The Pledged Shares listed on the attached Schedule 2.02(c) (after giving effect to any supplements thereto but subject to the time periods specified in Section 5.6 or 5.7 of the Credit Agreement, as applicable, for the delivery of any such supplements) constitute the percentage of the issued and outstanding shares of capital stock of the respective issuer thereof set forth on Schedule 2.02(c) and all of the Equity Interest in such issuer in which the Pledgor has any ownership interest.

(f) As of the Closing Date, Schedule 3 sets forth its sole jurisdiction of formation, type of organization, federal tax identification number, the organizational number, and all names used by it during the last five years prior to the date of this Pledge Agreement.

Section 4. Pledgor's Covenants. During the term of this Pledge Agreement and until Payment in Full of Obligations, each Pledgor covenants and agrees with the Administrative Agent that:

4.01. Protect Collateral; Further Assurances. Each Pledgor will warrant and defend the rights and title herein granted unto the Administrative Agent in and to the Pledged Collateral (and all right, title, and interest represented by the Pledged Collateral) against the claims and demands of all Persons whomsoever except for Liens permitted under clauses (a), (b), (c), (j) or (p) of Section 6.2 of the Credit Agreement. Each Pledgor hereby authorizes the Administrative Agent to file any financing statements, amendments or continuations without the signature of such Pledgor to the extent permitted by applicable law in order to perfect or maintain the perfection of any security interest granted under this Pledge Agreement, including, with respect to each Pledgor, financing statements containing an "all assets" or "all personal property" collateral description. Each Pledgor at its expense will, and will cause each of its Subsidiaries to, promptly execute and deliver to the Administrative Agent upon request all such other documents, agreements and instruments to comply with or accomplish the covenants and agreements of such Pledgor in the Security Documents, or to further evidence and more fully describe the collateral intended as security for the Secured Obligations, or to correct any omissions in the Security Documents, or to state more fully the security obligations set out herein or in any of the other Security Documents, or to perfect, protect or preserve any Liens created pursuant to any of the Security Documents, or to make any recordings, to file any notices or obtain any consents, all as may be reasonably necessary or appropriate in connection therewith or to enable the Administrative Agent to exercise and enforce its rights and remedies with respect to any Pledged Collateral.

4.02. Transfer, Other Liens, and Additional Shares. Each Pledgor agrees that it will not (a) except as otherwise permitted by the Credit Agreement, sell or otherwise dispose of, or grant any option with respect to, any of the Pledged Collateral or (b) create or permit to exist any Lien upon or with respect to any of the Pledged Collateral, except for Liens permitted under clauses (a), (b), (c), (j) or (p) of Section 6.2 of the Credit Agreement. Each Pledgor agrees that it will pledge hereunder, within thirty (30) days of the acquisition (directly or indirectly) thereof (or such longer time period as may be accepted by the Administrative Agent in its sole discretion), any additional Equity Interests of an issuer acquired by such Pledgor, other than any Excluded Property.

4.03. [Reserved]

4.04. As to Investment Property.

(a) Equity Interests of Subsidiaries. Other than with respect to Excluded Property, no Pledgor shall allow or permit any of its Restricted Subsidiaries (i) that is a corporation, business trust, joint stock company or similar Person, to issue uncertificated securities (as defined in the UCC), unless such Person promptly takes the actions set forth in Section 4.04(b)(ii) with respect to any such uncertificated securities, (ii) that is a partnership or limited liability company, to (A) issue Equity Interests that are to be dealt in or traded on securities exchanges or in securities markets, (B) amend its organizational documents to expressly provide that its Equity Interests are securities governed by Article 8 of the UCC, or (C) place such Subsidiary's Equity Interests in a securities account, unless such Person promptly takes the actions set forth in Section 4.04(b)(ii) with respect to any such Equity Interests, (iii) to cause any Equity Interest of such Restricted Subsidiary to become represented by any certificate without ten Business Days' notice to the Administrative Agent (or such shorter time period as the Administrative Agent may agree in its sole discretion); provided, that in the case of the formation or acquisition of a new Subsidiary, such notice period will be extended to thirty (30) days after such formation or acquisition, or (iv) to issue Equity Interests in addition to or in substitution for the Pledged Collateral or any other Equity Interests pledged hereunder, except for Equity Interests issued pursuant to any transaction permitted under Section 6.7 of the Credit Agreement and additional Equity Interests issued to such Pledgor or any other Pledgor; provided that (A) such Equity Interests or certificate(s), as applicable, are pledged and delivered to the Administrative Agent within ten (10) Business Days, and (B) such Pledgor delivers a supplement to Schedule 2.02(a), 2.02(b) or 2.02(c), as applicable, to the Administrative Agent identifying such new Equity Interests or certificate(s) as Pledged Collateral, in each case pursuant to the terms of this Pledge Agreement. No Pledgor shall permit any of its Restricted Subsidiaries to issue any warrants, options, contracts or other commitments or other securities that are convertible to any of the foregoing (except as to Equity Interests issued by Restricted Subsidiaries that are not wholly-owned) or that entitle any Person to purchase any of the foregoing, and except for this Pledge Agreement or any other Credit Document, shall not, and shall not permit any of its Restricted Subsidiaries to, enter into any agreement creating any restriction or condition upon the transfer, voting or control of any Pledged Collateral except as permitted by Section 6.5 of the Credit Agreement.

(b) Investment Property (other than Certificated Securities).

(i) With respect to any deposit accounts, securities accounts, commodity accounts, commodity contracts or security entitlements constituting investment property (as defined in the UCC) owned or held by any Pledgor, such Pledgor will, during the continuance of an Event of Default, following the request of the Administrative Agent, either (A) cause the intermediary maintaining such investment property to execute a control agreement relating to such investment property pursuant to which such intermediary agrees to comply with the Administrative Agent's instructions with respect to such investment property without further consent by such Pledgor, or (B) transfer such investment property to intermediaries that have or will agree to execute such control agreements.

(ii) With respect to any uncertificated securities or security entitlements that constitute Pledged Collateral (other than uncertificated securities or security entitlements credited to a securities account) owned or held by any Pledgor, such Pledgor will (A) cause the issuer of such securities to either (1) register the Administrative Agent (for the benefit of the Secured Parties) as the registered owner thereof on the books and records of the issuer, or (2) execute a control agreement relating to such investment property pursuant to which the issuer agrees to comply with the Administrative Agent's instructions with respect to such uncertificated securities without further consent by such Pledgor following the occurrence and during the continuance of an Event of Default, and (B) take and cause the appropriate Person (including any issuer, entitlement holder or securities intermediary thereof) to take all other actions necessary to grant "control" (as defined in 8-106 of the UCC) to the Administrative Agent (for the benefit of the Secured Parties) over such Pledged Collateral.

(iii) Each issuer of uncertificated securities or security entitlements (other than uncertificated securities or security entitlements credited to a securities account) that is a Pledgor agrees to (A) comply with the Administrative Agent's instructions with respect to such uncertificated securities without further consent by such Pledgor following the occurrence and during the continuance of an Event of Default, and (B) take all other actions necessary to grant "control" (as defined in 8-106 of the UCC) to the Administrative Agent (for the benefit of the Secured Parties) over such Pledged Collateral.

Section 5. Remedies upon Default. If any Event of Default shall have occurred and be continuing:

5.01. UCC Remedies. To the extent permitted by law, the Administrative Agent may exercise in respect of the Pledged Collateral, in addition to other rights and remedies provided for in this Pledge Agreement or otherwise available to it, all the rights and remedies of a secured party under the UCC (whether or not the UCC applies to the affected Pledged Collateral).

5.02. Dividends and Other Rights.

(a) All rights of the Pledgors to exercise the voting and other consensual rights which it would otherwise be entitled to exercise pursuant to Section 2.04(a) may be exercised by the Administrative Agent if the Administrative Agent so elects, and all rights of such Pledgor to receive any Distributions on or in respect of the Pledged Collateral and the proceeds of sale of the Pledged Collateral which it would otherwise be authorized to receive and retain pursuant to Section 2.04(a) shall cease.

(b) All distributions on or in respect of the Pledged Collateral and the proceeds of sale of the Pledged Collateral which are received by any Pledgor shall be received in trust for the benefit of the Administrative Agent and shall be segregated from other funds of such Pledgor, and shall be promptly paid over to the Administrative Agent as Pledged Collateral in the same form as so received (with any necessary indorsement).

5.03. Sale of Pledged Collateral. The Administrative Agent may sell all or part of the Pledged Collateral at public or private sale, at any of the Administrative Agent's offices or elsewhere, for cash, on credit, or for future delivery, and upon such other terms as the Administrative Agent may deem commercially reasonable in accordance with applicable laws. If advance notice is required by law, each Pledgor hereby deems ten (10) days' advance notice of the time and place of any public sale or the time after which any private sale is to be made reasonable notification, recognizing that if the Pledged Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market shorter notice may be reasonable. The Administrative Agent shall not be obligated to make any sale of the Pledged Collateral regardless of notice of sale having been given. The Administrative Agent may adjourn any public or private sale from time-to-time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Each Pledgor shall fully cooperate with the Administrative Agent in selling or realizing upon all or any part of the Pledged Collateral. In addition, each Pledgor shall fully comply with the securities laws of the United States, the State of New York, and other states and take such actions as may be necessary to permit Administrative Agent to sell or otherwise dispose of any securities representing the Pledged Collateral in compliance with such laws.

5.04. Exempt Sale. If, in the opinion of the Administrative Agent, there is any question that a public or semipublic sale or distribution of any Pledged Collateral will violate any state or federal securities law, the Administrative Agent in its reasonable discretion (a) may offer and sell securities privately to purchasers who will agree to take them for investment purposes and not with a view to distribution and who will agree to imposition of restrictive legends on the certificates representing the security, or (b) may sell such securities in an intrastate offering under Section 3(a)(11) of the Securities Act of 1933, as amended, and no sale so made in good faith by the Administrative Agent shall be deemed to be not "commercially reasonable" solely because so made. Each Pledgor shall cooperate fully with the Administrative Agent in selling or realizing upon all or any part of the Pledged Collateral.

5.05. Application of Collateral. The proceeds of any sale, or other realization (other than that received from a sale or other realization permitted by the Credit Agreement) upon all or any part of the Pledged Collateral pledged by the Pledgors shall be applied by the Administrative Agent as set forth in Section 7.6 of the Credit Agreement.

5.06. Cumulative Remedies. Each right, power and remedy herein specifically granted to the Administrative Agent or otherwise available to it shall be cumulative, and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity, or otherwise, and each such right, power and remedy, whether specifically granted herein or otherwise existing, may be exercised at any time and from time-to-time as often and in such order as may be deemed expedient by the Administrative Agent in its sole discretion. No failure on the part of the Administrative Agent to exercise, and no delay in exercising, and no course of dealing with respect to, any such right, power or remedy, shall operate as a waiver thereof, nor shall any single or partial exercise of any such rights, power or remedy preclude any other or further exercise thereof or the exercise of any other right.

Section 6. Administrative Agent as Attorney-in-Fact for Pledgor.

6.01. Administrative Agent Appointed Attorney-in-Fact. Each Pledgor hereby constitutes and irrevocably appoints the Administrative Agent, acting for and on behalf of itself and the Secured Parties and each successor or assign of the Administrative Agent and the other Secured Parties, the true and lawful attorney-in-fact of such Pledgor, with full power and authority in the place and stead of such Pledgor and in the name of such Pledgor, the Administrative Agent or otherwise, at any time while an Event of Default is continuing, to take any action and execute any instrument at the request or with the consent of the Majority Lenders and enforce all rights, interests and remedies of such Pledgor with respect to the Pledged Collateral, including the right to receive, indorse, and collect all instruments made payable to such Pledgor representing any dividend, or the proceeds of the sale of the Pledged Collateral, or other distribution in respect of the Pledged Collateral and to give full discharge for the same. **This power of attorney is a power coupled with an interest and shall be irrevocable until the Payment in Full of Obligations.**

6.02. Administrative Agent May Perform. The Administrative Agent may from time-to-time perform any act which any Pledgor has agreed hereunder to perform and which such Pledgor shall fail to perform within the time periods required herein after giving effect to any applicable time periods and cure periods in the Credit Documents, and the Administrative Agent may from time-to-time take any other action which the Administrative Agent reasonably deems necessary for the maintenance, preservation or protection of any of the Pledged Collateral or of its security interest therein, and the reasonable expenses of the Administrative Agent incurred in connection therewith shall be part of the Secured Obligations and shall be secured hereby.

6.03. Administrative Agent Has No Duty. The powers conferred on the Administrative Agent hereunder are solely to protect its interest in the Pledged Collateral and shall not impose any duty on it to exercise any such powers. Except for reasonable care of any Pledged Collateral in its possession and the accounting for moneys actually received by it hereunder, the Administrative Agent shall have no duty as to any Pledged Collateral or responsibility for taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Pledged Collateral.

6.04. Reasonable Care. The Administrative Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Pledged Collateral in its possession if the Pledged Collateral is accorded treatment substantially equal to that which the Administrative Agent accords its own Property, it being understood that the Administrative Agent shall have no

responsibility for (a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders, or other matters relative to any Pledged Collateral, whether or not the Administrative Agent has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Pledged Collateral.

Section 7. Miscellaneous.

7.01. Expenses. Section 10.1 of the Credit Agreement is incorporated herein, *mutatis mutandis*, as if a part hereof.

7.02. Amendments, Etc. No amendment or waiver of any provision of this Pledge Agreement nor consent to any departure by any Pledgor herefrom shall be effective unless made in writing and executed by the affected Pledgor and the Administrative Agent, and such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Schedule 2.02 to this Pledge Agreement may be updated from time to time to reflect the correct Pledged Collateral after giving effect to an acquisition, disposition, or redemption of equity interests, in each case, conducted in accordance with the Credit Agreement, or other change in circumstance, by delivery by the Borrower to the Administrative Agent of an updated Schedule 2.02 in form and substance reasonably satisfactory to the Administrative Agent.

7.03. Addresses for Notices. All notices and other communications provided for hereunder shall be in the manner and to the addresses set forth in Section 10.9 of the Credit Agreement or on the signature page hereof.

7.04. Continuing Security Interest; Transfer of Interest.

(a) This Pledge Agreement shall create a continuing security interest in the Pledged Collateral and, unless expressly released by the Administrative Agent or the Payment in Full of Obligations occurs, shall (i) remain in full force and effect, (ii) be binding upon each Pledgor and its successors, transferees and assigns, and (iii) inure, together with the rights and remedies of the Administrative Agent hereunder, to the benefit of and be binding upon, each Secured Party (other than the Swap Counterparties and the Banking Service Providers) and each of its successors, transferees, and assigns, and to the benefit of and be binding upon, the Swap Counterparties and the Banking Service Providers and each of their successors, transferees and assigns only to the extent such successor, transferee, and assign is a Secured Party. Without limiting the generality of the foregoing clause, when any Lender assigns or otherwise transfers any interest held by it under the Credit Agreement or other Credit Document to any other Person pursuant to the terms of the Credit Agreement or such other Credit Document, that other Person shall thereupon become vested with all the benefits held by such Lender under this Pledge Agreement. Furthermore, when any Swap Counterparty or Banking Services Provider assigns or otherwise transfers any interest held by it under a Hedging Arrangement or any agreement in respect of Banking Services, as applicable, to any other Person pursuant to the terms of such agreement, that other Person shall thereupon become vested with the benefits held by such Secured Party under this Pledge Agreement only if such Person independently qualifies as a Secured Party.

(b) Upon the Payment in Full of Obligations, the security interest granted hereby shall terminate and all rights to the Pledged Collateral shall revert to the applicable Pledgor to the extent such Pledged Collateral shall not have been sold or otherwise applied pursuant to the terms hereof. Upon any such termination, the Administrative Agent will, at the Pledgors' expense, deliver all Pledged Collateral to the applicable Pledgor, execute and deliver to the applicable Pledgor such documents as such Pledgor shall reasonably request and take any other actions reasonably requested to evidence or effect such termination.

(c) Upon the sale or other transfer of any Pledged Collateral pursuant to a transaction permitted by the Credit Agreement, the security interest in such Pledged Collateral granted hereby shall terminate. Upon any such termination, the Administrative Agent will, at the Pledgors' expense, deliver all such Pledged Collateral to the applicable Pledgor, execute and deliver to the applicable Pledgor such documents as such Pledgor shall reasonably request and take any other actions reasonably requested to evidence or effect such termination.

7.05. Waivers. Each Pledgor hereby waives:

(a) promptness, diligence, notice of acceptance, and any other notice with respect to any of the Secured Obligations and this Pledge Agreement, except to the extent expressly provided in this Pledge Agreement;

(b) any requirement that the Administrative Agent or any other Secured Party protect, secure, perfect, or insure any Lien or any Property subject thereto or exhaust any right or take any action against any Pledgor, any Guarantor, or any other Person or any collateral, except to the extent expressly provided in this Pledge Agreement; and

(c) any duty on the part of the Administrative Agent to disclose to any Pledgor any matter, fact, or thing relating to the business, operation, or condition of any Pledgor, any Guarantor, or any other Person and their respective assets now known or hereafter known by such Person.

7.06. Severability. Wherever possible each provision of this Pledge Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Pledge Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Pledge Agreement.

7.07. Choice of Law; Service of Process. This Pledge Agreement shall be deemed a contract under, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to conflicts of laws principles (other than Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York), except to the extent that the validity or perfection of the security interests hereunder, or remedies hereunder, in respect of any particular Pledged Collateral are governed by the laws of a jurisdiction other than the state of New York. Each Pledgor hereby agrees that service of copies of the summons and complaint and any other process which may be served in any such action or proceeding may be made by mailing

or delivering a copy of such process to such Pledgor at the address set forth for the Credit Parties in the Credit Agreement. Nothing in this Section shall affect the rights of any Lender to serve legal process in any other manner permitted by the law or affect the right of any Lender to bring any action or proceeding against any Pledgor or its Property in the courts of any other jurisdiction.

7.08. Submission to Jurisdiction. The Pledgors hereby irrevocably and unconditionally agree that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, the Issuing Lender or any Related Party of the foregoing in any way relating to this Pledge Agreement or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Pledge Agreement or in any other Loan Document shall affect any right that the Administrative Agent, any Lender, or the Issuing Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

7.09. Waiver of Jury. THE PLEDGORS HEREBY ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED BY AND HAVE CONSULTED WITH COUNSEL OF THEIR CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

7.10. **INDEMNIFICATION. EACH PLEDGOR SHALL INDEMNIFY THE ADMINISTRATIVE AGENT (AND ANY SUB-AGENT THEREOF), EACH LENDER, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (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 PERSON (INCLUDING THE BORROWER OR ANY OTHER CREDIT PARTY) OTHER THAN SUCH INDEMNITEE AND ITS RELATED PARTIES ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (A) THE EXECUTION OR DELIVERY OF THIS PLEDGE AGREEMENT, OTHER CREDIT DOCUMENT, ANY HEDGING ARRANGEMENT WITH A SWAP COUNTERPARTY, OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE**

CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, (B) ANY ADVANCE OR LETTER OF CREDIT OR THE USE OR PROPOSED USE OF THE PROCEEDS THEREFROM (INCLUDING ANY REFUSAL BY THE ISSUING LENDER TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT), (C) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY THE PARENT OR ANY OF ITS SUBSIDIARIES, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO THE PARENT OR ANY OF ITS SUBSIDIARIES, OR (IV) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR BY THE PARENT, THE BORROWER OR ANY OTHER CREDIT PARTY, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE APPLICABLE 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 (I) CONSTITUTE ATTORNEYS' FEES, EXPENSES AND CHARGES FOR ANY COUNSEL OTHER THAN (1) ONE PRIMARY COUNSEL OF THE ADMINISTRATIVE AGENT, THE LENDERS, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES (TAKEN AS A WHOLE), (2) IF NECESSARY, A SINGLE FIRM OF LOCAL COUNSEL IN EACH APPROPRIATE JURISDICTION, AND (3) OTHER COUNSEL IF SUCH REPRESENTATION BY A SINGLE COUNSEL WOULD BE INAPPROPRIATE DUE TO THE EXISTENCE OF AN ACTUAL OR REASONABLY PERCEIVED CONFLICT OF INTEREST, (II) 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'S OBLIGATIONS HEREUNDER OR UNDER ANY OTHER CREDIT DOCUMENT OR HEDGING ARRANGEMENT, AS APPLICABLE, IF THE PARENT, THE BORROWER OR SUCH CREDIT PARTY HAS OBTAINED A FINAL AND NONAPPEALABLE JUDGMENT IN ITS FAVOR ON SUCH CLAIM AS DETERMINED BY A COURT OF COMPETENT JURISDICTION, OR (III) RELATE TO ANY PROCEEDING SOLELY BETWEEN OR AMONG INDEMNIFIED PARTIES OTHER THAN (A) CLAIMS AGAINST EITHER THE ADMINISTRATIVE AGENT OR THE LEAD ARRANGERS OR THEIR RESPECTIVE AFFILIATES IN THEIR CAPACITY OR IN FULFILLING THEIR ROLE AS THE ADMINISTRATIVE AGENT OR LEAD ARRANGERS OR ANY OTHER SIMILAR ROLE UNDER THE CREDIT DOCUMENTS (EXCLUDING THE ROLE AS A LENDER) AND (B) CLAIMS ARISING OUT OF ANY ACT OR OMISSION ON THE PART OF THE BORROWER OR ANY OF THE BORROWER'S AFFILIATES. THIS SECTION 7.10 SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM. THE LIABILITIES OF EACH PLEDGOR AS SET FORTH IN THIS SECTION 7.10 SHALL SURVIVE THE TERMINATION OF THIS PLEDGE AGREEMENT.

7.11. Counterparts. The parties may execute this Pledge Agreement in counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. Delivery of an executed counterpart signature page by facsimile or other electronic transmission is as effective as executing and delivering this Pledge Agreement in the presence of the other parties to this Pledge Agreement. In proving this Pledge Agreement, a party must produce or account only for the executed counterpart of the party to be charged.

7.12. Headings. Paragraph headings have been inserted in this Pledge Agreement as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Pledge Agreement and shall not be used in the interpretation of any provision of this Pledge Agreement.

7.13. Reinstatement. If, at any time after payment in full of all Secured Obligations and termination of the Administrative Agent's security interest, any payments on the Secured Obligations previously made must be disgorged by any Secured Party for any reason whatsoever, including, without limitation, the insolvency, bankruptcy or reorganization of any Pledgor or any other Person, this Pledge Agreement and the Administrative Agent's security interests herein shall be reinstated as to all disgorged payments as though such payments had not been made, and each Pledgor shall sign and deliver to the Administrative Agent all documents, and shall do such other acts and things, as may be necessary to reinstate and perfect the Administrative Agent's security interest. **THE LIABILITIES OF EACH PLEDGOR AS SET FORTH IN THIS SECTION 7.13 SHALL SURVIVE THE TERMINATION OF THIS PLEDGE AGREEMENT.**

7.14. Additional Pledgors. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, each Credit Party that holds an Equity Interest in a Restricted Subsidiary of the Borrower that was not in existence on the date of the Credit Agreement is required to enter into this Pledge Agreement as a Pledgor within the time period set forth in the Credit Agreement. Upon execution and delivery after the date hereof by the Secured Party and such Credit Party of an instrument in the form of Annex 1, such Credit Party shall become a Pledgor hereunder with the same force and effect as if originally named as a Pledgor herein. The execution and delivery of any instrument adding an additional Pledgor as a party to this Pledge Agreement shall not require the consent of any other Pledgor hereunder. The rights and obligations of each Pledgor hereunder shall remain in full force and effect notwithstanding the addition of any new Pledgor as a party to this Pledge Agreement.

7.15. Updates to Schedules. For the avoidance of doubt, a Pledgor may from time to time update the Schedules to this Pledge Agreement to reflect any disposition, dissolution, merger or other transaction permitted by the Credit Agreement by written notice to the Administrative Agent.

7.16. Entire Agreement. **THIS PLEDGE AGREEMENT, THE CREDIT AGREEMENT, AND THE OTHER CREDIT DOCUMENTS, REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.**

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[SIGNATURE PAGES FOLLOW]

The parties hereto have caused this Pledge Agreement to be duly executed as of the date first above written.

PLEDGORS:

BERRY PETROLEUM COMPANY, LLC

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and Chief Financial Officer

BERRY PETROLEUM CORPORATION

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and Chief Financial Officer

ADMINISTRATIVE AGENT:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent for the benefit of the Secured Parties

By: /s/ Joseph Rottinghaus
Name: Joseph Rottinghaus
Title: Director

SCHEDULE 2.02(a)
Membership Interests

Pledgor	Issuer	Type of Membership Interest	% of Membership Interest Owned	Uncertificated Security?
Berry Petroleum Corporation	Berry Petroleum Company, LLC	Membership Interest	100%	No

SCHEDULE 2.02(b)
Partnership Interests

None.

SCHEDULE 2.02(c)
Pledged Shares

None.

SCHEDULE 3

PLEDGOR INFORMATION

Pledgor:	Berry Petroleum Company, LLC
Sole Jurisdiction of Formation / Filing:	Delaware
Type of Organization:	Limited Liability Company
Address where records for Collateral are kept:	5201 Truxton Ave., Suite 100 Bakersfield, California 93309
Organizational Number:	2072291
Federal Tax Identification Number:	81-5410470
Prior Names:	None.

Pledgor:	Berry Petroleum Corporation
Sole Jurisdiction of Formation / Filing:	Delaware
Type of Organization:	Corporation
Address where records for Collateral are kept:	5201 Truxton Ave., Suite 100 Bakersfield, California 93309
Organizational Number:	6315824
Federal Tax Identification Number:	77-0079387
Prior Names:	None.

SUPPLEMENT NO. [ ] dated as of [ ] (the "Supplement"), to the Pledge Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Pledge Agreement") by and among Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent"), each subsidiary of Borrower signatory thereto (together with Borrower and the Parent, the "Pledgors" and individually, each a "Pledgor") and Wells Fargo Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent") under the Credit Agreement (as hereinafter defined) for its benefit and the benefit of the Secured Parties (as defined in the Credit Agreement described below).

RECITALS

A. Reference is made to the Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement") by and among the Borrower, the Parent, the lenders party thereto from time to time (the "Lenders"), and the Administrative Agent and Wells Fargo Bank, National Association, as issuing lender for such Lenders.

B. The Pledgors entered into the Pledge Agreement in order to induce the Lenders to make Advances and the Issuing Lender to issue, extend and renew Letters of Credit under the Credit Agreement. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, each Credit Party that holds an Equity Interest in a Restricted Subsidiary of the Borrower that was not in existence on the date of the Credit Agreement is required to enter into the Pledge Agreement as a Pledgor after such Restricted Subsidiary becomes a Restricted Subsidiary of a Borrower. Section 7.14 of the Pledge Agreement provides that such Credit Parties may become Pledgors under the Pledge Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Credit Party (the "New Pledgor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Pledgor under the Pledge Agreement in order to induce the Administrative Agent, the Issuing Lender, or any of the Lenders to make additional Advances and for the Issuing Lender to make, extend, and renew Letters of Credit under the Credit Agreement.

C. Each New Pledgor is an Affiliate of the Borrower and will derive substantial direct and indirect benefit from (i) the transactions contemplated by the Credit Agreement and the other Credit Documents, (ii) the Hedging Arrangements entered into by any Credit Party with a Swap Counterparty, (iii) any Banking Services agreements entered into by any Credit Party with a Banking Services Provider, and (iv) any other incurrence of Secured Obligations by a Credit Party.

D. [Furthermore, pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, any Credit Party that is the equity holder of a Restricted Subsidiary that was not in existence on the date of the Credit Agreement is required to enter into the Pledge Agreement as a Pledgor, or supplement its Pledged Collateral, to pledge the equity of such new Restricted Subsidiary. Each of [_____] (the "Existing Pledgor"; and together with the New Pledgor, the "Specific Pledgors"), and the New Pledgor is executing this Supplement in accordance with the requirements of the Credit Agreement to supplement its Pledged Collateral under the Pledge Agreement.]

E. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Pledge Agreement or the Credit Agreement, as applicable.

Accordingly, the Administrative Agent and the [New Pledgor][Specific Pledgors] agree as follows:

(a) In accordance with Section 7.14 of the Pledge Agreement, the New Pledgor by its signature below becomes a Pledgor under the Pledge Agreement with the same force and effect as if originally named therein as a Pledgor and the New Pledgor hereby agrees (i) to all the terms and provisions of the Pledge Agreement applicable to it as a Pledgor thereunder and (ii) represents and warrants that the representations and warranties made by it as a Pledgor thereunder are true and correct on and as of the date hereof in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof). In furtherance of the foregoing, the New Pledgor, as security for the payment and performance in full of the Secured Obligations, does hereby create and grant to the Administrative Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a continuing security interest in and Lien on all of the New Pledgor's right, title and interest in and to the Pledged Collateral of the New Pledgor. Each reference to a "Pledgor" in the Pledge Agreement shall be deemed to include the New Pledgor. The Pledge Agreement is hereby incorporated herein by reference.

(b) [Existing Pledgor, by its signature below, (i) reaffirms all the terms and provisions of the Pledge Agreement applicable to it as a Pledgor thereunder and (ii) after giving effect to this Supplement, represents and warrants that the representations and warranties made by it as a Pledgor thereunder are true and correct on and as of the date hereof in all material respects.]

(c) [The New Pledgor][Each Specific Pledgor] represents and warrants to the Administrative Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws at the time in effect affecting the rights of creditors generally and by general principles of equity whether applied by a court of law or equity.

(d) This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Administrative Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the [New Pledgor][Specific Pledgors] and the Administrative Agent. Delivery of an executed signature page to this Supplement by facsimile or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

(e) [The New Pledgor][Each Specific Pledgor] hereby represents and warrants that as of the date of this Supplement, (i) set forth on Schedules 2.02(a), 2.02(b), and 2.02(c) attached hereto are true and correct schedules of all its Membership Interests, Partnership Interests and Pledged Shares, as each term is defined in the Pledge Agreement[, and (ii)][. The New Pledgor represents and warrants that, as of the date of this Supplement] set forth on Schedule 3 attached hereto are its sole jurisdiction of formation, type of organization, its federal tax identification number and the organizational number, and all names used by it during the last five (5) years prior to the date of this Supplement.

(f) Except as expressly supplemented hereby, the Pledge Agreement shall remain in full force and effect.

(g) THIS SUPPLEMENT SHALL BE DEEMED A CONTRACT UNDER, AND SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTERESTS HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR PLEDGED COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

(h) Wherever possible each provision of this Supplement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Supplement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Supplement.

(i) All communications and notices hereunder shall be in writing and given as provided in the Pledge Agreement. All communications and notices hereunder to the New Pledgor shall be given to it at the address for the Credit Parties set forth in the Credit Agreement.

(j) This Supplement is a Credit Document under the Credit Agreement.

THIS SUPPLEMENT, THE PLEDGE AGREEMENT, THE CREDIT AGREEMENT, THE OTHER CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[SIGNATURES PAGES FOLLOW]

IN WITNESS WHEREOF, the New Pledgor and the Administrative Agent have duly executed this Supplement to the Pledge Agreement as of the day and year first above written.

NEW PLEDGOR:

[_____]

By: _____
Name: _____
Title: _____

Address:

[_____]

[EXISTING PLEDGOR:]

[_____]

By: _____
Name: _____
Title: _____

ADMINISTRATIVE AGENT:
WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

Schedules
Supplement No. ____
to the Pledge Agreement

SCHEDULE 2.02(a)
Membership Interests

Pledgor	Issuer	Type of Membership Interest	% of Membership Interest Owned	Uncertificated Security?

SCHEDULE 2.02(b)
Partnership Interests

Pledgor	Issuer	Type of Partnership Interest	% of Partnership Interest Owned	Uncertificated Security?

SCHEDULE 2.02(c)
Pledged Shares

Pledgor	Issuer	Type of Shares	Number of Shares	% of Shares Owned	Certificate No.

SCHEDULE 3

New Pledgor: _____

Sole Jurisdiction of Formation / Filing: _____

Type of Organization: _____

Organizational Number: _____

Federal Tax Identification Number: _____

Prior Names: _____

Exhibit 10.20
Execution Version

SECURITY AGREEMENT

This Security Agreement dated as of July 31, 2017 (this "Security Agreement") is by and among Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent"), each Subsidiary (as defined in the Credit Agreement described below) of Borrower signatory hereto (together with Borrower and the Parent, the "Grantors" and individually, each a "Grantor") and Wells Fargo Bank, National Associate, as the administrative agent (in such capacity, the "Administrative Agent"), for its benefit and the benefit of the Secured Parties (as defined in the Credit Agreement described below) and as the issuing lender (in such capacity, the "Issuing Lender").

RECITALS

A. This Security Agreement is entered into in connection with that certain Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, the Parent, the lenders party thereto from time to time (individually, a "Lender" and collectively, the "Lenders"), the Administrative Agent, and the Issuing Lender.

B. In connection with the Credit Agreement, each Grantor desires to execute and deliver this Security Agreement.

C. Each Grantor (other than Borrower) is an Affiliate of Borrower and will derive substantial direct or indirect benefit from (i) the transactions contemplated by the Credit Agreement and the other Credit Documents, (ii) the Hedging Arrangements entered into by any Credit Party with a Swap Counterparty, (iii) any Banking Services agreements entered into by any Credit Party with a Banking Services Provider, and (iv) any other incurrence of Secured Obligations by a Credit Party.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, each Grantor hereby agrees with the Administrative Agent for its benefit and the benefit of the Secured Parties as follows:

Section 1. Definitions; Interpretation. (a) Any terms used in this Security Agreement that are defined in the UCC (as defined below) and not otherwise defined herein or in the Credit Agreement, shall have the meanings assigned to those terms by the UCC. All meanings to defined terms, unless otherwise indicated, are to be equally applicable to both the singular and plural forms of the terms defined. The following terms shall have the meanings specified below:

"Accounts" means an "account" as defined in the UCC, including, without limitation, all of any Grantor's rights to payment for goods sold or leased, services performed, or otherwise, whether now in existence or arising from time to time hereafter, including, without limitation, rights arising under any of the Contracts or evidenced by an account, note, contract, security agreement, Chattel Paper (including, without limitation, tangible

Chattel Paper and electronic Chattel Paper), or other evidence of indebtedness or security, together with all of the right, title and interest of any Grantor in and to (i) all security pledged, assigned, hypothecated or granted to or held by any Grantor to secure the foregoing, (ii) all of any Grantor's right, title and interest in and to any goods or services, the sale of which gave rise thereto, (iii) all guarantees, endorsements and indemnifications on, or of, any of the foregoing, (iv) all powers of attorney granted to any Grantor for the execution of any evidence of indebtedness or security or other writing in connection therewith, (v) all books, correspondence, credit files, records, ledger cards, invoices, and other papers relating thereto, including without limitation all similar information stored on a magnetic medium or other similar storage device and other papers and documents in the possession or under the control of any Grantor or any computer bureau from time to time acting for any Grantor, (vi) all evidences of the filing of financing statements and other statements granted to any Grantor and the registration of other instruments in connection therewith and amendments thereto, notices to other creditors or secured parties, and certificates from filing or other registration officers, (vii) all credit information, reports and memoranda relating thereto, and (viii) all other writings related in any way to the foregoing.

"Cash Collateral" means all amounts from time to time held in any checking, savings, deposit or other account of such Grantor, all monies, proceeds or sums due or to become due therefrom or thereon and all documents (including, but not limited to passbooks, certificates and receipts) evidencing all funds and investments held in such accounts.

"Chattel Paper" has the meaning set forth in the UCC.

"Collateral" has the meaning set forth in Section 2 of this Security Agreement.

"Contract Documents" means all Instruments, Chattel Paper, letters of credit, bonds, guarantees or similar documents evidencing, representing, arising from or existing in respect of, relating to, securing or otherwise supporting the payment of, the Contract Rights.

"Contract Rights" means (i) all (A) of any Grantor's rights to payment under any Contract or Contract Document and (B) payments due and to become due to any Grantor under any Contract or Contract Document, in each case whether as contractual obligations, damages or otherwise; (ii) all of any Grantor's claims, rights, powers, or privileges and remedies under any Contract or Contract Document; and (iii) all of any Grantor's rights under any Contract or Contract Document to make determinations, to exercise any election (including, but not limited to, election of remedies) or option or to give or receive any notice, consent, waiver or approval together with full power and authority with respect to any Contract or Contract Document to demand, receive, enforce or collect any of the foregoing rights or any Property which is the subject of any Contract or Contract Document, to enforce or execute any checks, or other instruments or orders, to file any claims and to take any action which, in the opinion of the Administrative Agent, may be necessary or advisable in connection with any of the foregoing.

"Contracts" means all contracts to which any Grantor now is, or hereafter will be bound, or to which such Grantor is or hereafter will be a party, beneficiary or assignee, all Insurance Contracts, and all exhibits, schedules and other attachments to such contracts, as the same may be amended, supplemented or otherwise modified or replaced from time to time.

"Document" means a bill of lading, dock warrant, dock receipt, warehouse receipt or order for the delivery of goods, and also any other document which in the regular course of business or financing is treated as adequately evidencing that the person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers.

"Equipment" means any equipment now or hereafter owned or leased by any Grantor, or in which any Grantor holds or acquires any other right, title or interest, constituting "equipment" under the UCC, including, without limitation, all surface or subsurface machinery, equipment, facilities, supplies, or other tangible personal property, including tubing, rods, pumps, pumping units and engines, pipe, pipelines, meters, apparatus, boilers, compressors, liquid extractors, connectors, valves, fittings, power plants, poles, lines, cables, wires, transformers, starters and controllers, machine shops, tools, machinery and parts, storage yards and equipment stored therein, buildings and camps, telegraph, telephone, and other communication systems, loading docks, loading racks, and shipping facilities, and any manuals, instructions, blueprints, computer software (including software that is imbedded in and part of the equipment), and similar items which relate to the above, and any and all additions, substitutions and replacements of any of the foregoing, wherever located together with all improvements thereon and all attachments, components, parts, equipment and accessories installed thereon or affixed thereto.

"Excluded Contracts" means any General Intangibles, Contract, Contract Document or other document (and any Contract Rights arising thereunder) to which any of the Grantors is a party to the extent (but only to the extent) that a Grantor is prohibited from granting a security interest in, pledge of, or charge, mortgage or Lien upon any such Property by reason of (a) an existing and enforceable negative pledge or anti-assignment provision or (b) applicable law or regulation to which such Grantor is subject; provided that (i) any Excluded Contract shall automatically cease to be excluded from this definition (and shall automatically be subject to the Lien and security interest granted hereby and to the terms and provisions of this Security Agreement as "Collateral"), to the extent that (A) either of the prohibitions discussed in clause (a) and (b) above is ineffective or subsequently rendered ineffective under Sections 9.406, 9.407, 9.408 or 9.409 of the UCC or under any other Legal Requirement or is otherwise no longer in effect, or (B) the applicable Grantor has obtained the consent of the other parties to such Excluded Contract to the creation of a Lien and security interest in, such Excluded Contract (which consent, upon the reasonable request of the Administrative Agent, such Grantor will use its commercial reasonable efforts to obtain), and (ii) any proceeds received by any Grantor from the sale, transfer or other disposition of Excluded Contracts shall constitute Collateral unless any assets or Property constituting such proceeds are themselves Excluded Property.

"Fixtures" means any fixtures now or hereafter owned or leased by any Grantor, or in which any Grantor holds or acquires any other right, title or interest, constituting "fixtures" under the UCC, including without limitation any and all additions, substitutions and replacements of any of the foregoing, wherever located together with all improvements thereon and all attachments, components, parts, equipment and accessories installed thereon or affixed thereto.

"General Intangibles" means all general intangibles now or hereafter owned by any Grantor, or in which any Grantor holds or acquires any other right, title or interest, constituting "general intangibles" or "payment intangibles" under the UCC, including, but not limited to, all trademarks, trademark applications, trademark registrations, tradenames, fictitious business names, business names, company names, business identifiers, prints, labels, trade styles and service marks (whether or not registered), trade dress, including logos and/or designs, copyrights, patents, patent applications, goodwill of any Grantor's business symbolized by any of the foregoing, trade secrets, license rights, license agreements, permits, franchises, and any rights to tax refunds to which any Grantor is now or hereafter may be entitled.

"Governmental Approval" has the meaning set forth in Section 2(a)(x).

"Instrument" means an "instrument" as defined in the UCC, including, without limitation, any Negotiable Instrument, or any other writing which evidences a right to the payment of money and is not itself a security agreement or lease and is of a type which is in the ordinary course of business transferred by delivery with any necessary endorsement or assignment (other than Instruments constituting Chattel Paper).

"Insurance Contracts" means all contracts and policies of insurance and re-insurance maintained or required to be maintained by or on behalf of any Grantor under the Credit Documents.

"Inventory" means all of the inventory of any Grantor, or in which any Grantor holds or acquires any right, title or interest, of every type or description, now owned or hereafter acquired and wherever located, whether raw, in process or finished (including oil, gas, or other hydrocarbons and all products and substances derived therefrom), and all materials usable in processing the same and all documents of title covering any inventory, including, without limitation, work in process, materials used or consumed in any Grantor's business, now owned or hereafter acquired or manufactured by any Grantor and held for sale in the ordinary course of its business, all present and future substitutions therefor, parts and accessories thereof and all additions thereto, all Proceeds thereof and products of such inventory in any form whatsoever, and any other item constituting "inventory" under the UCC.

"Investment Property" means "investment property" as defined in the UCC, including, without limitation, all securities (whether certificated or uncertificated), security entitlements, securities accounts, commodity contracts, and commodity accounts.

"Negotiable Instrument" means a "negotiable instrument" as defined in the UCC.

"Proceeds" means all proceeds (as defined in the UCC) of any or all of the Collateral, including without limitation (i) any and all proceeds of, all claims for, and all rights of any Grantor to receive the return of any premiums for, any insurance, indemnity, warranty or guaranty payable from time to time with respect to any of the Collateral, (ii) any and all

payments (in any form whatsoever) received by any Grantor or due and payable to any Grantor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any Governmental Authority (or any Person acting under color of any Governmental Authority), (iii) all proceeds received or receivable when any or all of the Collateral is sold, exchanged or otherwise disposed, whether voluntarily, involuntarily, in foreclosure or otherwise, (iv) all claims of any Grantor for damages arising out of, or for breach of or default under, any Collateral, (v) all rights of any Grantor to terminate, amend, supplement, modify or waive performance under any Contracts, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder, and (vi) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"UCC" shall mean the Uniform Commercial Code as the same may, from time to time, be in effect in the State of New York; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of the security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

(b) All meanings to defined terms, unless otherwise indicated, are to be equally applicable to both the singular and plural forms of the terms defined. Article, Section, Schedule, and Exhibit references are to Articles and Sections of and Schedules and Exhibits to this Security Agreement, unless otherwise specified. All references to instruments, documents, contracts, and agreements are references to such instruments, documents, contracts, and agreements as the same may be amended, supplemented, and otherwise modified from time to time, unless otherwise specified. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Security Agreement shall refer to this Security Agreement as a whole and not to any particular provision of this Security Agreement. As used herein, the term "including" means "including, without limitation,". Paragraph headings have been inserted in this Security Agreement as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Security Agreement and shall not be used in the interpretation of any provision of this Security Agreement.

Section 2. Assignment, Pledge and Grant of Security Interest.

(a) As collateral security for the prompt and complete payment and performance when due of all Secured Obligations, each Grantor hereby assigns, pledges, and grants to the Administrative Agent for the benefit of the Secured Parties a Lien on and continuing security interest in all of such Grantor's right, title and interest in, to and under, all items described in this Section 2, whether now owned or hereafter acquired by such Grantor and wherever located and whether now owned or hereafter existing or arising (collectively, the "Collateral"):

(i) all Contracts, all Contract Rights, Contract Documents and Accounts associated with such Contracts and each and every document granting security to such Grantor under any such Contract;

(ii) all Accounts;

(iii) all Inventory;

(iv) all Equipment;

(v) all General Intangibles;

(vi) all Investment Property;

(vii) all Fixtures;

(viii) all checking, savings, deposit or other account of such Grantor and all other accounts held in the name of such Grantor;

(ix) all Cash Collateral;

(x) any governmental approvals, permits, licenses, authorizations, consents, rulings, tariffs, rates, certifications, waivers, exemptions, filings, claims, orders, judgments and decrees and other Legal Requirements (each a "Governmental Approval");

(xi) any right to receive a payment under any Hedging Arrangement in connection with a termination thereof;

(xii) (A) all policies of insurance and Insurance Contracts, now or hereafter held by or on behalf of such Grantor, including casualty and liability, business interruption, control of well, and any title insurance, (B) all Proceeds of insurance, and (C) all rights, now or hereafter held by such Grantor to any warranties of any manufacturer or contractor of any other Person;

(xiii) any and all Liens and security interests (together with the documents evidencing such security interests) granted to such Grantor by an obligor to secure such obligor's obligations owing under any Instrument, Chattel Paper, or Contract which is pledged hereunder or with respect to which a security interest in such Grantor's rights in such Instrument, Chattel Paper, or Contract is granted hereunder;

(xiv) any and all guaranties given by any Person for the benefit of such Grantor which guarantees the obligations of an obligor under any Instrument, Chattel Paper or Contract, which are pledged hereunder;

(xv) without limiting the generality of the foregoing, all other personal property, goods, Accounts, Certificated Securities, Chattel Paper, Commercial Tort Claims, Commodity Accounts, Commodity Contracts, Deposit Accounts, Documents, Equipment, Fixtures, General Intangibles, Goods, Instruments, Inventory, Investment Property, Letter of Credit Rights, Letters of Credit, Money, Payment Intangibles, Proceeds, Securities, Securities Account,

Security Entitlements, Supporting Obligations, Uncertificated Securities, credits, claims, demands and assets of such Grantor whether now existing or hereafter acquired from time to time; and

(xvi) any and all additions, accessions and improvements to, all substitutions and replacements for and all products and Proceeds of or derived from all of the items described above in this Section 2;

(b) Notwithstanding any other provision set forth in this Section 2 or elsewhere in this Agreement, all Excluded Property shall be excluded from the Lien and security interest granted hereunder and shall not constitute "Collateral"; provided, however, that the exclusion from the Lien and security interest granted by such Grantor hereunder of any Contract Rights of any of the Grantors under one or more of the Excluded Contracts shall not limit, restrict or impair the grant by such Grantor of the Lien and security interest in any Accounts or receivables arising under any such Excluded Contract or any payments due or to become due thereunder unless such receivables or payments themselves constitute Excluded Property.

(c) Notwithstanding anything contained herein to the contrary, it is the intention of each Grantor, the Administrative Agent, and the other Secured Parties that the amount of the Secured Obligation secured by each Grantor's interests in any of its Property shall be in, but not in excess of, the maximum amount permitted by fraudulent conveyance, fraudulent transfer and other similar law, rule or regulation of any Governmental Authority applicable to such Grantor. Accordingly, notwithstanding anything to the contrary contained in this Security Agreement or in any other agreement or instrument executed in connection with the payment of any of the Secured Obligations, the amount of the Secured Obligations secured by each Grantor's interests in any of its Property pursuant to this Security Agreement shall be limited to an aggregate amount equal to the largest amount that would not render such Grantor's obligations hereunder or the Liens and security interest granted to the Administrative Agent hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provision of any other applicable law.

Section 3. Representations and Warranties. Each Grantor hereby represents and warrants the following to the Administrative Agent and the other Secured Parties:

(a) Records. As of the date hereof, such Grantor's sole jurisdiction of formation and type of organization are as set forth in Schedule 1 attached hereto. All records concerning the Accounts, General Intangibles, or any other Collateral applicable to such Grantor are located at the address for such Grantor on such Schedule 1 or at such other location specified by any Grantor to the Administrative Agent in writing. Except as set forth on Schedule 2 attached hereto, none of the Accounts with a principal amount in excess of $500,000 individually or $1,000,000 in the aggregate, is evidenced by a promissory note or other instrument as of the date hereof.

(b) Other Liens. Such Grantor is, and will be the legal and beneficial owner of all of the Collateral pledged by such Grantor free and clear of any Lien, except for the Permitted Liens. No effective financing statement or other instrument similar in effect covering all or any part of the Collateral is, or will be, on file in any recording office, except such as may be filed in connection with this Security Agreement or in connection with other Permitted Liens or for which satisfactory releases have been received by the Administrative Agent.

(c) Lien Priority and Perfection. Subject only to Permitted Liens, this Security Agreement creates valid and continuing Acceptable Security Interest in the Collateral, securing the payment and performance of all the Secured Obligations. Upon the filing of financing statements with the jurisdictions listed in Schedule 1, the Administrative Agent will have a valid and perfected Acceptable Security Interest in all Collateral that is capable of being perfected by filing financing statements, subject only to Permitted Liens.

(d) Tax Identification Number and Organizational Number. As of the date hereof, the federal tax identification number of such Grantor and the organizational number of such Grantor are as set forth in Schedule 1.

(e) Tradenames; Prior Names. As of the date hereof and except as set forth on Schedule 1, such Grantor has not conducted business under any name other than its current name during the last five years prior to the date of this Security Agreement.

Section 4. Covenants.

(a) Further Assurances.

(i) Each Grantor agrees that from time to time, at its expense, such Grantor shall promptly execute and deliver all instruments and documents, and take all action, that may be reasonably necessary or desirable, or that the Administrative Agent may reasonably request, in order to perfect and protect any pledge, assignment, or security interest granted or intended to be granted hereby or to enable the Administrative Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, each Grantor (A) at the written request of the Administrative Agent, shall execute such instruments, endorsements or notices, as may be reasonably necessary or as the Administrative Agent may reasonably request, in order to perfect and preserve the assignments and security interests granted or purported to be granted hereby, (B) shall, at the reasonable written request of the Administrative Agent, mark conspicuously each material document included in the Collateral, each Chattel Paper included in the Accounts, and each of its records pertaining to the Collateral with a legend, in form and substance reasonably satisfactory to the Administrative Agent, including that such document, Chattel Paper, or record is subject to the pledge, assignment, and security interest granted hereby, and (C) authorizes the Administrative Agent to file any financing statements, amendments or continuations without the signature of such Grantor to the extent permitted by applicable law in order to perfect or maintain the perfection of any security interest granted under this Security Agreement (including, without limitation, financing statements using an “all assets” or “all personal property” collateral description).

(ii) Until the Payment in Full of Obligations, each Grantor shall promptly provide to the Administrative Agent all information and evidence the Administrative Agent may reasonably request concerning the Collateral to enable the Administrative Agent to enforce the provisions of this Security Agreement.

(b) Change of Name; State of Formation. Until the Payment in Full of Obligations, each Grantor shall give the Administrative Agent at least ten (10) days' (or such shorter period as may be accepted by the Administrative Agent in its sole discretion) prior written notice before it (i) in the case of any Grantor that is not a "registered organization" (as such term is defined in Section 9-102 of the UCC), changes the location of its principal place of business and chief executive office, (ii) changes the location of original copies of any Chattel Paper evidencing Accounts, or (iii) uses a trade name other than its current name used on the date hereof or, in the case of any Subsidiary of the Borrower that becomes a Grantor pursuant to a supplement to this Security Agreement delivered in accordance with Section 18(l), on the date of such supplement.

(c) Right of Inspection. Until the Payment in Full of Obligations, each Grantor shall hold and preserve, at its own cost and expense satisfactory and complete records of the Collateral in accordance with Section 5.9 of the Credit Agreement, and will permit representatives of the Administrative Agent, upon reasonable advance notice, at any time during normal business hours to inspect and copy them.

(d) Liability Under Contracts and Accounts. Notwithstanding anything in this Security Agreement to the contrary, (i) the execution of this Security Agreement shall not release any Grantor from its obligations and duties under any of the Contract Documents, or any other contract or instrument which are part of the Collateral and Accounts included in the Collateral, (ii) the exercise by the Administrative Agent of any of its rights hereunder shall not release any Grantor from any of its duties or obligations under any Contract Documents, or any other Contract or Instrument which are part of the Collateral and Accounts included in the Collateral, and (iii) the Administrative Agent shall not have any obligation or liability under any Contract Documents, or any other contract or instrument which are part of the Collateral and Accounts included in the Collateral by reason of the execution and delivery of this Security Agreement, nor shall the Administrative Agent be obligated to perform any of the obligations or duties of any Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

(e) Transfer of Certain Collateral; Release of Certain Security Interest. Each Grantor agrees that until the Payment in Full of Obligations, it shall not sell, assign, or otherwise dispose of any Collateral, except as otherwise permitted under the Credit Agreement. The Administrative Agent shall promptly, at the Grantors' expense, execute and deliver all further instruments and documents, and take all further action that a Grantor may reasonably request in order to release its security interest in any Collateral which is disposed of in accordance with the terms of the Credit Agreement.

(f) Negotiable Instrument. Until the Payment in Full of Obligations, if any Grantor shall at any time hold or acquire any Negotiable Instruments (excluding checks received and deposited in the ordinary course of business), including promissory notes, with a principal amount in excess of $500,000 individually or $1,000,000 in the aggregate, such Grantor shall forthwith deliver the same to the Administrative Agent, accompanied by such instruments of transfer or assignment duly executed in blank as the Administrative Agent may from time to time reasonably request.

(g) Other Covenants of Grantor. Each Grantor agrees that (i) any action or proceeding to enforce this Security Agreement may be taken by the Administrative Agent either in such Grantor's name or in the Administrative Agent's name, as the Administrative Agent may deem necessary, and (ii) such Grantor will, until the Payment in Full of Obligations, warrant and defend its title to the Collateral and the interest of the Administrative Agent in the Collateral against any claim or demand of any Persons (other than Permitted Liens) which could reasonably be expected to materially adversely affect such Grantor's title to, or the Administrative Agent's right or interest in, such Collateral.

Section 5. Termination of Security Interest.

(a) Upon the Payment in Full of Obligations, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the applicable Grantor to the extent such Collateral shall not have been sold or otherwise applied pursuant to the terms hereof. Upon any such termination, the Administrative Agent will, at the Grantors' expense, execute and deliver to the applicable Grantor such documents (including, without limitation, UCC-3 termination statements) as such Grantor shall reasonably request to evidence such termination.

(b) Upon the sale or other transfer of any Collateral pursuant to a transaction permitted by the Credit Agreement, the security interest in such Collateral granted hereby shall terminate. Upon any such termination, the Administrative Agent will, at the Grantors' expense, execute and deliver to the applicable Grantor such documents (including, without limitation, UCC-3 amendment statements) as such Grantor shall reasonably request to evidence such termination.

Section 6. Reinstatement. If, at any time after payment in full of all Secured Obligations and termination of the Administrative Agent's security interest, any payments on the Secured Obligations previously made must be disgorged by any Secured Party for any reason whatsoever, including, without limitation, the insolvency, bankruptcy or reorganization of any Grantor or any other Person, this Security Agreement and the Administrative Agent's security interests herein shall be reinstated as to all disgorged payments as though such payments had not been made, and each Grantor shall sign and deliver to the Administrative Agent all documents, and shall do such other acts and things, as may be necessary to reinstate and perfect the Administrative Agent's security interest. **THE LIABILITIES OF EACH GRANTOR AS SET FORTH IN THIS SECTION 6 SHALL SURVIVE THE TERMINATION OF THIS SECURITY AGREEMENT.**

Section 7. Remedies upon Event of Default.

(a) If any Event of Default has occurred and is continuing, the Administrative Agent may (and shall at the written request of the Majority Lenders given in accordance with the Credit Agreement), (i) proceed to protect and enforce the rights vested in it by this Security Agreement or otherwise available to it, including but not limited to, the right to cause all revenues and other moneys pledged hereby as Collateral to be paid directly to it, and to enforce its rights hereunder to such payments and all other rights hereunder by such appropriate judicial proceedings as it shall deem most effective to protect and enforce any of such rights, either at law or in equity or otherwise, whether for specific enforcement of any covenant or agreement contained in any of the Contract Documents, or in aid of the exercise of any power therein or herein granted, or for any foreclosure hereunder and sale under a judgment or decree in any judicial proceeding, or to enforce any other legal or equitable right vested in it by this Security Agreement or by law; (ii) cause any

action at law or suit in equity or other proceeding to be instituted and prosecuted and enforce any rights hereunder or included in the Collateral, subject to the provisions and requirements thereof; (iii) sell or otherwise dispose of any or all of the Collateral or cause the Collateral to be sold or otherwise disposed of in one or more sales or transactions, at such prices and in such manner as may be commercially reasonable, and for cash or on credit or for future delivery, without assumption of any credit risk, at public or private sale, without demand of performance or notice of intention to sell or of time or place of sale (except such notice as is required by applicable statute and cannot be waived), it being agreed that the Administrative Agent may be a purchaser on behalf of the Secured Parties or on its own behalf at any such sale and that the Administrative Agent, any other Secured Party, or any other Person who may be a bona fide purchaser for value and without notice of any claims of any or all of the Collateral so sold shall thereafter hold the same absolutely free from any claim or right of whatsoever kind, including any equity of redemption of any Grantor, any such demand, notice or right and equity being hereby expressly waived and released to the extent permitted by law; (iv) incur expenses, including attorneys' fees, consultants' fees, and other costs appropriate to the exercise of any right or power under this Security Agreement; (v) perform any obligation of any Grantor hereunder and make payments, purchase, contest or compromise any encumbrance, charge or Lien, and pay taxes and expenses, without, however, any obligation to do so; (vi) in connection with any acceleration and foreclosure, take possession of the Collateral and render it usable and repair and renovate the same, without, however, any obligation to do so, and enter upon any location where the Collateral may be located for that purpose, control, manage, operate, rent and lease the Collateral, collect all rents and income from the Collateral and apply the same to reimburse the Secured Parties for any cost or expenses incurred hereunder or under any of the Credit Documents or under any Hedging Arrangement with Swap Counterparties or in connection with any Banking Services with any Banking Service Provider and to the payment or performance of any Grantor's obligations hereunder or under any of the Credit Documents or any Hedging Arrangement with a Swap Counterparty or in connection with any Banking Services with any Banking Service Provider, and apply the balance to the other Secured Obligations and any remaining excess balance to whomsoever is legally entitled thereto; (vii) secure the appointment of a receiver for the Collateral or any part thereof; (viii) require any Grantor to, and each Grantor hereby agrees that it will at its expense and upon request of the Administrative Agent forthwith, assemble all or part of the Collateral as directed by the Administrative Agent and make it available to the Administrative Agent at a place to be designated by the Administrative Agent which is reasonably convenient to both parties; (ix) exercise any other or additional rights or remedies granted to a secured party under the UCC; or (x) occupy any premises owned or leased by any Grantor where the Collateral or any part thereof is assembled for a reasonable period in order to effectuate its rights and remedies hereunder or under law, without obligation to any Grantor in respect of such occupation. If, pursuant to applicable law, prior notice of sale of the Collateral under this Section is required to be given to any Grantor, each Grantor hereby acknowledges that the minimum time required by such applicable law, or if no minimum time is specified, 10 days, shall be deemed a reasonable notice period. The Administrative Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Administrative Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All costs and expenses (including attorneys' fees and expenses) incurred by the Administrative Agent in connection with any suit or proceeding in connection with the performance by the Administrative Agent of any of the agreements contained in any of the Contract Documents, or in connection with any exercise of its rights or remedies hereunder, pursuant to the terms of this Security Agreement, to the extent the Grantors are obligated to reimburse such expenses pursuant to the Credit Documents, shall constitute additional indebtedness secured by this Security Agreement and shall be paid on demand by the Grantors to the Administrative Agent on behalf of the Secured Parties.

Section 8. Remedies Cumulative; Delay Not Waiver.

(a) No right, power or remedy herein conferred upon or reserved to the Administrative Agent is intended to be exclusive of any other right, power or remedy and every such right, power and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right, power and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder or otherwise shall not prevent the concurrent assertion or employment of any other appropriate right or remedy. Resort to any or all security now or hereafter held by the Administrative Agent may be taken concurrently or successively and in one or several consolidated or independent judicial actions or lawfully taken nonjudicial proceedings, or both.

(b) No delay or omission of the Administrative Agent to exercise any right or power shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and every power and remedy given by this Security Agreement may be exercised from time to time, and as often as shall be deemed expedient, by the Administrative Agent.

Section 9. Contract Rights. At any time while an Event of Default is continuing, the Administrative Agent may exercise any of the Contract Rights and remedies of any Grantor under or in connection with the Instruments, Chattel Paper, or Contracts which represent Accounts, the General Intangibles (in each case, other than in connection with any Excluded Property), or which otherwise relate to the Collateral, including, without limitation, any rights of any Grantor to demand or otherwise require payment of any amount under, or performance of any provisions of, the Instruments, Chattel Paper, or Contracts which represent Accounts, or the General Intangibles (in each case, other than Excluded Property).

Section 10. Accounts.

(a) At any time while an Event of Default is continuing, the Administrative Agent may, or may direct any Grantor to, take any action the Administrative Agent deems necessary or advisable to enforce collection of the Accounts, including, without limitation, notifying the account debtors or obligors under any Accounts of the assignment of such Accounts to the Administrative Agent and directing such account debtors or obligors to make payment of all amounts due or to become due directly to the Administrative Agent. Upon such notification and direction, and at the expense of the Grantors, the Administrative Agent may, while such Event of Default is continuing, enforce collection of any such Accounts, and adjust, settle, or compromise the amount or payment thereof in the same manner and to the same extent as any Grantor might have done.

(b) If an Event of Default is continuing, (i) all amounts and Proceeds (including instruments) received by such Grantor in respect of the Accounts shall be received in trust for the benefit of the Administrative Agent hereunder, shall be segregated from other funds of such Grantor, and shall promptly be paid over to the Administrative Agent in the same form as so received (with any necessary indorsement) to be held as Collateral and (ii) no Grantor shall adjust, settle, or compromise the amount or payment of any Account, nor release wholly or partly any account debtor or obligor thereof, nor allow any credit or discount thereon other than in the ordinary course of business.

Section 11. Application of Collateral. The proceeds of any sale, or other realization (other than that received from a sale or other realization permitted by the Credit Agreement) upon all or any part of the Collateral pledged by any Grantor shall be applied by the Administrative Agent as set forth in Section 7.6 of the Credit Agreement.

Section 12. Rights Retained by Grantors. So long as no Event of Default shall have occurred and be continuing, the Grantors shall be entitled (a) to receive and retain all revenues and other moneys pledged hereby as Collateral and the proceeds of any disposition of any of their respective Properties constituting Collateral provided that such disposition is permitted under the Credit Agreement, and (b) to protect, enforce and exercise its rights under any of the Contract Documents; provided, however, that no Grantor shall exercise nor shall it refrain from exercising any such right if such action or inaction, as applicable, would have a materially adverse effect on the value of the applicable Collateral.

Section 13. Administrative Agent as Attorney-in-Fact for Grantor. Each Grantor hereby constitutes and irrevocably appoints the Administrative Agent, acting for and on behalf of itself and the Secured Parties and each successor or assign of the Administrative Agent and the other Secured Parties, the true and lawful attorney-in-fact of such Grantor, with full power and authority in the place and stead of such Grantor and in the name of such Grantor or otherwise, to take any action and execute any instrument at the request or with the consent of the Majority Lenders and enforce all rights, interests and remedies of such Grantor with respect to the Collateral, including the right, at any time while an Event of Default is continuing:

(a) to ask, require, demand, receive and give acquittance for any and all moneys and claims for moneys due and to become due under or arising out of any of the other Collateral, including without limitation, any Insurance Contracts;

(b) to elect remedies thereunder and to endorse any checks or other instruments or orders in connection therewith;

(c) to file any claims or take any action or institute any proceedings in connection therewith which the Administrative Agent may deem to be necessary or advisable;

(d) to pay, settle or compromise all bills and claims which may be or become Liens or security interests against any or all of the Collateral, or any part thereof, unless a bond or other security satisfactory to the Administrative Agent has been provided; and

(e) upon foreclosure, to do any and every act which any Grantor may do on its behalf with respect to the Collateral or any part thereof and to exercise any or all of such Grantor's rights and remedies under any or all of the Collateral.

This power of attorney is a power coupled with an interest and shall be irrevocable until the Payment in Full of Obligations.

Section 14. Administrative Agent May Perform. The Administrative Agent may from time-to-time perform any act which any Grantor has agreed hereunder to perform and which such Grantor shall fail to perform within the time periods required herein after giving effect to any applicable time periods and cure periods in the Credit Documents, and the Administrative Agent may from time-to-time take any other action which the Administrative Agent reasonably deems necessary for the maintenance, preservation or protection of any of the Collateral or of its security interest therein, and the expenses of the Administrative Agent incurred in connection therewith shall be part of the Secured Obligations and shall be secured hereby.

Section 15. Administrative Agent Has No Duty. The powers conferred on the Administrative Agent hereunder are solely to protect its interest in the Collateral and shall not impose any duty on it to exercise any such powers. Except for reasonable care of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Administrative Agent shall have no duty as to any Collateral or responsibility for taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

Section 16. Reasonable Care. The Administrative Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Administrative Agent accords its own Property.

Section 17. Payments Held in Trust. During the continuance of an Event of Default, all payments received by any Grantor under or in connection with any Collateral shall be received in trust for the benefit of the Administrative Agent, and shall be segregated from other funds of such Grantor and shall be forthwith paid over to the Administrative Agent in the same form as received (with any necessary endorsement).

Section 18. Miscellaneous.

(a) Expenses. Section 10.1 of the Credit Agreement is incorporated herein, *mutatis mutandis*, as if a part hereof.

(b) Amendments; Etc. No amendment or waiver of any provision of this Security Agreement nor consent to any departure by any Grantor herefrom shall be effective unless the same shall be in writing and executed by the affected Grantor and the Administrative Agent, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(c) Addresses for Notices. All notices and other communications provided for hereunder shall be made in accordance with Section 10.9 of the Credit Agreement.

(d) Continuing Security Interest; Transfer of Interest. This Security Agreement shall create a continuing security interest in the Collateral (other than as to any Collateral released pursuant to Section 5(b) hereof) and, unless expressly released by the Administrative Agent or released pursuant to Section 5(a) hereof , shall (i) remain in full force and effect, (ii) be binding upon each Grantor and its successors, transferees and assigns, and (iii) inure, together with the rights and remedies of the Administrative Agent hereunder, to the benefit of and be binding upon, each Secured Party (other than the Swap Counterparties and the Banking Service Providers) and each of its successors, transferees, and assigns, and to the benefit of and be binding upon, the Swap Counterparties and the Banking Service Providers and each of their successors, transferees, and assigns only to the extent such successor, transferee, and assign is also a Secured Party. Without limiting the generality of the foregoing clause, when any Lender assigns or otherwise transfers any interest held by it under the Credit Agreement or other Credit Document to any other Person pursuant to the terms of the Credit Agreement or such other Credit Document, that other Person shall thereupon become vested with all the benefits held by such Lender under this Security Agreement. Furthermore, when any Swap Counterparty or Banking Services Provider assigns or otherwise transfers any interest held by it under a Hedging Arrangement or any agreement in respect of Banking Services, as applicable, to any other Person pursuant to the terms of such agreement, that other Person shall thereupon become vested with the benefits held by such Secured Party under this Security Agreement only if such Person independently qualifies as a Secured Party.

(e) Severability. Wherever possible each provision of this Security Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Security Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Security Agreement.

(f) Choice of Law; Service of Process. This Security Agreement shall be deemed a contract under, and shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to conflicts of laws principles (other than Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York), except to the extent that the validity or perfection of the security interests hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the state of New York. Each Grantor hereby agrees that service of copies of the summons and complaint and any other process which may be served in any such action or proceeding may be made by mailing or delivering a copy of such process to such Grantor at the address set forth for the Credit Parties in the Credit Agreement. Nothing in this Section shall affect the rights of any Lender to serve legal process in any other manner permitted by the law or affect the right of any Lender to bring any action or proceeding against any Grantor or its Property in the courts of any other jurisdiction.

(g) Submission to Jurisdiction. The Grantors hereby agree that any suit or proceeding arising in respect of this Security Agreement, or any of the matters contemplated hereby will be tried exclusively in the U.S. District Court for the Southern District of New York or, if such court does not have subject matter jurisdiction, in any state court located in the City and County of New York, and the parties hereto hereby agree to submit to the exclusive jurisdiction of, and venue in, such court (except to the extent the Administrative Agent requires submission to any other jurisdiction in connection with the exercise of any rights under any Security Document). Each of

the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law. Each party hereto hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable Legal Requirement, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Security Agreement in any court referred to in this Section 18(g). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable Legal Requirement, the defense of any inconvenient forum to the maintenance of such action or proceeding in any such court.

(h) Waiver of Jury. THE GRANTORS HEREBY ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED BY AND HAVE CONSULTED WITH COUNSEL OF THEIR CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

(i) INDEMNIFICATION. EACH GRANTOR SHALL INDEMNIFY THE ADMINISTRATIVE AGENT (AND ANY SUB-AGENT THEREOF), EACH LENDER, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (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 PERSON (INCLUDING THE BORROWER OR ANY OTHER CREDIT PARTY) OTHER THAN SUCH INDEMNITEE AND ITS RELATED PARTIES ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (I) THE EXECUTION OR DELIVERY OF THIS SECURITY AGREEMENT, OTHER CREDIT DOCUMENT, ANY HEDGING ARRANGEMENT WITH A SWAP COUNTERPARTY, OR ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, THE PERFORMANCE BY THE PARTIES HERETO OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER OR THEREUNDER OR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, (II) ANY ADVANCE OR LETTER OF CREDIT OR THE USE OR PROPOSED USE OF THE PROCEEDS THEREFROM (INCLUDING ANY REFUSAL BY THE ISSUING LENDER TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT), (III) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY OWNED OR OPERATED BY THE PARENT OR ANY OF ITS SUBSIDIARIES, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO THE PARENT OR ANY OF ITS SUBSIDIARIES, OR (IV) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR BY THE PARENT, THE BORROWER OR ANY OTHER CREDIT PARTY, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING,**

IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE APPLICABLE 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) CONSTITUTE ATTORNEYS' FEES, EXPENSES AND CHARGES FOR ANY COUNSEL OTHER THAN (A) ONE PRIMARY COUNSEL OF THE ADMINISTRATIVE AGENT, THE LENDERS, THE ISSUING LENDER, THE LEAD ARRANGERS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENT AND THE SWAP COUNTERPARTIES (TAKEN AS A WHOLE), (B) IF NECESSARY, A SINGLE FIRM OF LOCAL COUNSEL IN EACH APPROPRIATE JURISDICTION, AND (C) OTHER COUNSEL IF SUCH REPRESENTATION BY A SINGLE COUNSEL WOULD BE INAPPROPRIATE DUE TO THE EXISTENCE OF AN ACTUAL OR REASONABLY PERCEIVED CONFLICT OF INTEREST, (Y) 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'S OBLIGATIONS HEREUNDER OR UNDER ANY OTHER CREDIT DOCUMENT OR HEDGING ARRANGEMENT, AS APPLICABLE, IF THE PARENT, THE BORROWER OR SUCH OTHER CREDIT PARTY HAS OBTAINED A FINAL AND NONAPPEALABLE JUDGMENT IN ITS FAVOR ON SUCH CLAIM AS DETERMINED BY A COURT OF COMPETENT JURISDICTION, OR (Z) RELATE TO ANY PROCEEDING SOLELY BETWEEN OR AMONG INDEMNIFIED PARTIES OTHER THAN (A) CLAIMS AGAINST EITHER THE ADMINISTRATIVE AGENT OR THE LEAD ARRANGERS OR THEIR RESPECTIVE AFFILIATES IN THEIR CAPACITY OR IN FULFILLING THEIR ROLE AS THE ADMINISTRATIVE AGENT OR LEAD ARRANGERS OR ANY OTHER SIMILAR ROLE UNDER THE CREDIT DOCUMENTS (EXCLUDING THE ROLE AS A LENDER) AND (B) CLAIMS ARISING OUT OF ANY ACT OR OMISSION ON THE PART OF THE BORROWER OR ANY OF THE BORROWER'S AFFILIATES. THIS SECTION 18(j) SHALL NOT APPLY WITH RESPECT TO TAXES OTHER THAN ANY TAXES THAT REPRESENT LOSSES, CLAIMS, DAMAGES, ETC. ARISING FROM ANY NON-TAX CLAIM. THE LIABILITIES OF EACH GRANTOR AS SET FORTH IN THIS SECTION 18(j) SHALL SURVIVE THE TERMINATION OF THIS SECURITY AGREEMENT.

(j) Counterparts. The parties may execute this Security Agreement in counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. Delivery of an executed counterpart signature page by facsimile or other electronic transmission is as effective as executing and delivering this Security Agreement in the presence of the other parties to this Security Agreement. In proving this Security Agreement, a party must produce or account only for the executed counterpart of the party to be charged.

(k) Headings. Paragraph headings have been inserted in this Security Agreement as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Security Agreement and shall not be used in the interpretation of any provision of this Security Agreement.

(l) Additional Grantors. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, each Subsidiary of Borrower that was not in existence on the date of the Credit Agreement is required to enter into this Security Agreement as a Grantor within the time period

set forth in the Credit Agreement. Upon execution and delivery after the date hereof by the Administrative Agent and such Subsidiary of an instrument in the form of Annex 1, such Subsidiary shall become a Grantor hereunder with the same force and effect as if originally named as a Grantor herein. The execution and delivery of any instrument adding an additional Grantor as a party to this Security Agreement shall not require the consent of any other Grantor hereunder. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Security Agreement.

(m) Entire Agreement. THIS SECURITY AGREEMENT, THE CREDIT AGREEMENT, AND THE OTHER CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[SIGNATURE PAGES FOLLOW]

The parties hereto have caused this Security Agreement to be duly executed as of the date first above written.

GRANTORS:

BERRY PETROLEUM COMPANY, LLC

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and Chief Financial Officer

BERRY PETROLEUM CORPORATION

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and Chief Financial Officer

ADMINISTRATIVE AGENT:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

By: /s/ Joseph Rottinghaus
Name: Joseph Rottinghaus
Title: Director

SCHEDULE 1
to Security Agreement

GRANTOR INFORMATION

Grantor:	Berry Petroleum Company, LLC
Sole Jurisdiction of Formation / Filing:	Delaware
Type of Organization:	Limited Liability Company
Address where records for Collateral are kept:	5201 Truxton Ave., Suite 100 Bakersfield, California 93309
Organizational Number:	2072291
Federal Tax Identification Number:	81-5410470
Prior Names:	None.
Grantor:	Berry Petroleum Corporation
Sole Jurisdiction of Formation / Filing:	Delaware
Type of Organization:	Corporation
Address where records for Collateral are kept:	5201 Truxton Ave., Suite 100 Bakersfield, California 93309
Organizational Number:	6315824
Federal Tax Identification Number:	77-0079387
Prior Names:	None.

SCHEDULE 2
to Security Agreement

INSTRUMENTS

None.

SUPPLEMENT NO. [ ] dated as of [ ] (the "Supplement"), to the Security Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Security Agreement"), by and among Berry Petroleum Company, LLC, a Delaware limited liability company ("Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent"), each subsidiary of Borrower signatory thereto (together with Borrower and the Parent, the "Grantors" and individually, a "Grantor") and Wells Fargo Bank, National Association, as Administrative Agent under the Credit Agreement (as hereinafter defined) for the benefit of itself and the Secured Parties (as defined in the Credit Agreement).

A. Reference is made to the Credit Agreement dated as of July 31, 2017 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement") by and among Borrower, the lenders party thereto from time to time (the "Lenders"), and Wells Fargo Bank, National Association, as administrative agent for such Lenders (in such capacity, the "Administrative Agent") and as issuing lender (in such capacity, the "Issuing Lender").

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Security Agreement and the Credit Agreement, as applicable.

C. The Grantors have entered into the Security Agreement in order to induce the Lenders to make Advances and the Issuing Lender to issue, extend, and renew Letters of Credit under the Credit Agreement. Pursuant to Section 5.6 or 5.7 of the Credit Agreement, as applicable, each Subsidiary of Borrower that was not in existence on the date of the Credit Agreement is required to enter into the Security Agreement as a Grantor after becoming a Subsidiary. Section 18(l) of the Security Agreement provides that additional Subsidiaries of Borrower may become Grantors under the Security Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary of Borrower (the "New Grantor") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Grantor under the Security Agreement in order to induce the Lenders to make additional Advances and the Issuing Lender to issue, extend and renew additional Letters of Credit and as consideration for Advances previously made and Letters of Credit previously issued.

Accordingly, the Administrative Agent and the New Grantor agree as follows:

SECTION 1. In accordance with Section 18(l) of the Security Agreement, the New Grantor by its signature below becomes a Grantor under the Security Agreement with the same force and effect as if originally named therein as a Grantor and the New Grantor hereby (a) agrees to all the terms and provisions of the Security Agreement applicable to it as a Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct on and as of the date hereof in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof). In furtherance of the foregoing, the

New Grantor, as security for the payment and performance in full of the Secured Obligations (as defined in the Credit Agreement), does hereby create and grant to the Administrative Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a continuing security interest in and Lien on all of the New Grantor's right, title and interest in and to the Collateral (as defined in the Security Agreement) of the New Grantor. Each reference to a "Grantor" in the Security Agreement shall be deemed to include the New Grantor. The Security Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to the Administrative Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

SECTION 3. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Administrative Agent shall have received counterparts of this Supplement that, when taken together, bear the signatures of the New Grantor and the Administrative Agent. Delivery of an executed signature page to this Supplement by facsimile or other electronic transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. The New Grantor hereby represents and warrants that, as of the date hereof, set forth on Schedule 1 attached hereto are (a) its sole jurisdiction of formation and type of organization, (b) the location of all records concerning its Accounts, General Intangibles, or any other Collateral, (c) its federal tax identification number and the organizational number, and (d) all names used by it during the last five years prior to the date of this Supplement.

SECTION 5. [The information listed on Schedule 2 hereto is hereby added to the information set forth on Schedule 2 to the Security Agreement.]

SECTION 6. Except as expressly supplemented hereby, the Security Agreement shall remain in full force and effect.

SECTION 7. THIS SUPPLEMENT SHALL BE DEEMED A CONTRACT UNDER, AND SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTERESTS HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

SECTION 8. Wherever possible each provision of this Supplement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Supplement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Supplement.

SECTION 9. All communications and notices hereunder shall be in writing and given as provided in the Security Agreement. All communications and notices hereunder to the New Grantor shall be given to it at the address for the Credit Parties set forth in the Credit Agreement.

SECTION 10. This Supplement is a Credit Document under the Credit Agreement.

THIS SUPPLEMENT, THE SECURITY AGREEMENT, THE CREDIT AGREEMENT, THE OTHER CREDIT DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

IN WITNESS WHEREOF, the New Grantor and the Administrative Agent have duly executed this Supplement to the Security Agreement as of the day and year first above written.

[Name of New Grantor],

By: _____
Name: _____
Title: _____

[ADMINISTRATIVE AGENT]

By: _____
Name: _____
Title: _____

Annex I to Security Agreement

Schedule 1
Supplement No._____
to the Security Agreement

New Grantor:	[GRANTOR]
Sole Jurisdiction of Formation / Filing:	[STATE]
Type of Organization:	[ENTITY TYPE]
Address where records for Collateral are kept:	[ADDRESS] [CITY, STATE ZIP]
Organizational Number:	_____
Federal Tax Identification Number:	_____
Prior Names:	_____

Annex I to Security Agreement

[Schedule 2
Supplement No._____
to the Security Agreement

INSTRUMENTS

Annex I to Security Agreement

Exhibit 21.1

Subsidiaries of Berry Petroleum Corporation

Entity Name	Jurisdiction
Berry Petroleum Company, LLC	Delaware

Exhibit 99.1

DEGOLYER AND MACNAUGHTON
5001 SPRING VALLEY ROAD
SUITE 800 EAST
DALLAS, TEXAS 75244

This is a digital representation of a DeGolyer and MacNaughton report.

Each file contained herein is intended to be a manifestation of certain data in the subject report and as such is subject to the definitions, qualifications, explanations, conclusions, and other conditions thereof. The information and data contained in each file may be subject to misinterpretation; therefore, the signed and bound copy of this report should be considered the only authoritative source of such information.

DEGOLYER AND MACNAUGHTON
5001 SPRING VALLEY ROAD
SUITE 800 EAST
DALLAS, TEXAS 75244

REPORT

as of

NOVEMBER 30, 2017

on

RESERVES and REVENUE

of

CERTAIN PROPERTIES

owned by

BERRY PETROLEUM COMPANY, LLC

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DEGOLYER AND MACNAUGHTON
5001 SPRING VALLEY ROAD
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REPORT

as of

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RESERVES and REVENUE

of

CERTAIN PROPERTIES

owned by

BERRY PETROLEUM COMPANY, LLC

FOREWORD

Scope of Investigation

This report presents estimates, as of November 30, 2017, of the extent and value of the proved oil, condensate, natural gas liquids (NGL), and gas reserves of certain properties in which Berry Petroleum Company, LLC (Berry) has represented that it owns an interest. The properties evaluated are located in California, Colorado, Texas, and Utah and are listed in detail in the appendix to this report, and represent 100 percent of the proved oil, condensate, NGL, and gas reserves of Berry as of November 30, 2017.

Estimates of reserves presented in this report have been prepared in compliance with the regulations promulgated by the United States Securities and Exchange Commission (SEC). These reserves definitions are discussed in detail in the Definition of Reserves section of this report. Reserves estimated in this report are expressed as gross and net reserves. Gross reserves are defined as the total estimated petroleum remaining to be produced from these properties after November 30, 2017. Net reserves are defined as that portion of the gross reserves attributable to the interests owned by Berry after deducting royalties and interests owned by others.

This report also presents values for proved reserves using prices and costs provided by Berry. Future prices were estimated using guidelines established by the SEC and the Financial Accounting Standards Board (FASB). A detailed explanation of the future price and cost assumptions is included in the Valuation of Reserves section of this report.

Values of proved reserves in this report are expressed in terms of future gross revenue, future net revenue, and present worth. Future gross revenue is that revenue which will accrue to the evaluated interests from the production and sale of the estimated net reserves. Future net revenue is calculated by deducting estimated production taxes, ad valorem taxes, operating expenses, capital costs, and abandonment costs from the future gross revenue. Operating expenses include field operating expenses, transportation expenses, compression charges, and an allocation of overhead that directly relates to production activities. Future income tax expenses were not taken into account in the preparation of these estimates. Present worth is defined as future net revenue discounted at a specified arbitrary discount rate compounded annually over the expected period of realization. Present worth should not be construed as fair market value because no consideration was given to additional factors that influence the prices at which properties are bought and sold. In this report, present worth values using a discount rate of 10 percent are reported in detail and values using discount rates of 5, 9, 15, 20, 25, 30, and 35 percent are reported as totals in the appendix to this report.

Estimates of oil, condensate, NGL, and gas reserves and future net revenue should be regarded only as estimates that may change as further production history and additional information become available. Not only are such reserves and revenue estimates based on that information which is currently available, but such estimates are also subject to the uncertainties inherent in the application of judgmental factors in interpreting such information.

Authority

This report was prepared at the request of Mr. Arthur T. Smith, Chief Executive Officer of Berry.

Source of Information

Data used in the preparation of this report were obtained from Berry and from public sources. In the preparation of this report we have relied, without independent verification, upon information furnished by Berry with respect to property interests, production from such properties, current costs of operation and development, current prices for production, agreements relating to current and future operations and sale of production, and various other information and data that were accepted as represented. A field examination of the properties was not considered necessary for the purposes of this report.

DEFINITION of RESERVES

Petroleum reserves included in this report are classified as proved. Only proved reserves have been evaluated for this report. Reserves classifications used in this report are in accordance with the reserves definitions of Rules 4–10(a) (1)–(32) of Regulation S–X of the SEC. Reserves are judged to be economically producible in future years from known reservoirs under existing economic and operating conditions and assuming continuation of current regulatory practices using conventional production methods and equipment. In the analyses of production–decline curves, reserves were estimated only to the limit of economic rates of production under existing economic and operating conditions using prices and costs consistent with the effective date of this report, including consideration of changes in existing prices provided only by contractual arrangements but not including escalations based upon future conditions. The petroleum reserves are classified as follows:

Proved oil and gas reserves – Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

(i) The area of the reservoir considered as proved includes:

(A) The area identified by drilling and limited by fluid contacts, if any, and (B) Adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible oil or gas on the basis of available geoscience and engineering data.

(ii) In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons (LKH) as seen in a well penetration unless geoscience, engineering, or performance data and reliable technology establishes a lower contact with reasonable certainty.

(iii) Where direct observation from well penetrations has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves may be assigned in the structurally higher portions of the reservoir only if geoscience, engineering, or performance data and reliable technology establish the higher contact with reasonable certainty.

(iv) Reserves which can be produced economically through application of improved recovery techniques (including, but not limited to, fluid injection) are included in the proved classification when:

(A) Successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir or an analogous reservoir, or other evidence using reliable technology establishes the reasonable certainty of the engineering analysis on which the project or program was based; and (B) The project has been approved for development by all necessary parties and entities, including governmental entities.

(v) Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the 12-month period prior to the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

Probable reserves – Probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are as likely as not to be recovered.

(i) When deterministic methods are used, it is as likely as not that actual remaining quantities recovered will exceed the sum of estimated proved plus probable reserves. When probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the proved plus probable reserves estimates.

(ii) Probable reserves may be assigned to areas of a reservoir adjacent to proved reserves where data control or interpretations of available data are less certain, even if the interpreted reservoir continuity of structure or productivity does not meet the reasonable certainty criterion. Probable reserves may be assigned to areas that are structurally higher than the proved area if these areas are in communication with the proved reservoir.

(iii) Probable reserves estimates also include potential incremental quantities associated with a greater percentage recovery of the hydrocarbons in place than assumed for proved reserves.

(iv) See also guidelines in paragraphs (iv) and (vi) of the definition of possible reserves.

Possible reserves – Possible reserves are those additional reserves that are less certain to be recovered than probable reserves.

(i) When deterministic methods are used, the total quantities ultimately recovered from a project have a low probability of exceeding proved plus probable plus possible reserves. When probabilistic methods are used, there should be at least a 10% probability that the total quantities ultimately recovered will equal or exceed the proved plus probable plus possible reserves estimates.

(ii) Possible reserves may be assigned to areas of a reservoir adjacent to probable reserves where data control and interpretations of available data are progressively less certain. Frequently, this will be in areas where geoscience

and engineering data are unable to define clearly the area and vertical limits of commercial production from the reservoir by a defined project.

(iii) Possible reserves also include incremental quantities associated with a greater percentage recovery of the hydrocarbons in place than the recovery quantities assumed for probable reserves.

(iv) The proved plus probable and proved plus probable plus possible reserves estimates must be based on reasonable alternative technical and commercial interpretations within the reservoir or subject project that are clearly documented, including comparisons to results in successful similar projects.

(v) Possible reserves may be assigned where geoscience and engineering data identify directly adjacent portions of a reservoir within the same accumulation that may be separated from proved areas by faults with displacement less than formation thickness or other geological discontinuities and that have not been penetrated by a wellbore, and the registrant believes that such adjacent portions are in communication with the known (proved) reservoir. Possible reserves may be assigned to areas that are structurally higher or lower than the proved area if these areas are in communication with the proved reservoir.

(vi) Pursuant to paragraph (iii) of the proved oil and gas reserves definition, where direct observation has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves should be assigned in the structurally higher portions of the reservoir above the HKO only if the higher contact can be established with reasonable certainty through reliable technology. Portions of the reservoir that do not meet this reasonable certainty criterion may be assigned as probable and possible oil or gas based on reservoir fluid properties and pressure gradient interpretations.

Developed oil and gas reserves – Developed oil and gas reserves are reserves of any category that can be expected to be recovered:

(i) Through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and

(ii) Through installed extraction equipment and infrastructure operational at the time of the reserves estimate if the extraction is by means not involving a well.

Undeveloped oil and gas reserves – Undeveloped oil and gas reserves are reserves of any category that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion.

(i) Reserves on undrilled acreage shall be limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence using reliable technology exists that establishes reasonable certainty of economic producibility at greater distances.

(ii) Undrilled locations can be classified as having undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances justify a longer time.

(iii) Under no circumstances shall estimates for undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, as defined in [section 210.4–10 (a) Definitions], or by other evidence using reliable technology establishing reasonable certainty.

The extent to which probable and possible reserves ultimately may be reclassified as proved reserves is dependent upon future drilling, testing, and well performance. The degree of risk to be applied in evaluating probable and possible reserves is influenced by economic and technological factors as well as the time element. No probable or possible reserves have been evaluated for this report.

ESTIMATION of RESERVES

Estimates of reserves were prepared by the use of appropriate geologic, petroleum engineering, and evaluation principles and techniques that are in accordance with practices generally recognized by the petroleum industry as presented in the publication of the Society of Petroleum Engineers entitled “Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information (Revision as of February 2007).” The method or combination of methods used in the analysis of each reservoir was tempered by experience with similar reservoirs, stage of development, quality and completeness of basic data, and production history.

Based on the current stage of field development, production performance, the development plans provided by Berry, and the analyses of areas offsetting existing wells with test or production data, reserves were classified as proved.

When applicable, the volumetric method was used to estimate the original oil in place (OOIP). Structure maps were utilized to delineate each reservoir, and isopach maps were utilized to estimate the reservoir volume. Electric logs, radioactivity logs, core analyses, and other available data were used to prepare these maps as well as to estimate representative values for porosity and water saturation.

Estimates of ultimate recovery were obtained after applying recovery factors to OOIP. These recovery factors were based on consideration of the type of energy inherent in the reservoirs, analyses of the fluid and rock properties, and the production histories. An analysis of the reservoir performance, including production rate, reservoir pressure, and gas-oil ratio behavior, was used in the estimation of reserves. Most of the properties in California evaluated herein are produced using thermal recovery methods involving either cyclic steam injection or continuous steamflood operation. Therefore, steam-oil ratios and steam volumes were analyzed and projected and were used in the estimation of reserves when applicable.

For depletion-type reservoirs or those whose performance disclosed a reliable decline in producing-rate trends or other diagnostic characteristics, reserves were estimated by the application of appropriate decline curves or other performance relationships. In the analyses of production-decline curves, reserves were estimated only to the limits of economic production based on existing economic conditions.

In certain cases, when the previously named methods could not be used, reserves were estimated by analogy with similar wells or reservoirs for which more complete data were available.

Approximately 65 percent of the non-producing reserves are associated with recently completed steam injectors on Berry's Hill lease in the Tulare Formation steamflood, and 15 percent are associated with additional net pay behind pipe in various leases in the Diatomite Formation. In these wells, only a portion of the Diatomite Formation is currently producing by cyclic steam injection. The remaining net pay is the target for future cyclic steam injection. Type-curve production profiles were prepared based on the existing wells completed in the Tulare Formation and the Diatomite Formation, respectively, and those associated production profiles were then applied to these wells.

Ninety-nine percent of the undeveloped oil reserves evaluated herein are located in California, and were estimated based on a future drilling and development schedule provided by Berry consisting of approximately 710 producer wells and steam-injector wells. Berry has represented that it will commit to the capital investments necessary to undertake the development schedule provided to develop the quantities estimated herein. Based on that representation, we have classified these quantities as proved undeveloped reserves. All of these proposed locations are either infill wells or very close direct step-out wells in densely spaced existing lease developments. Type-curve production profiles were prepared based on the existing wells completed in the target reservoir, and those associated production profiles were then applied to the proposed locations. Oil production profiles associated with an undeveloped steam injector represent the additional oil production response anticipated to be produced from directly offsetting producers.

All of the undeveloped gas reserves evaluated herein are located in Colorado, and were estimated based on a future drilling and development schedule provided by Berry consisting of 80 new gas wells on its leasehold acreage in the Piceance Basin. Berry has represented that it will commit to the capital investment necessary to undertake the development schedule provided to develop the quantities estimated herein. Based on that representation,

we have classified these quantities as proved undeveloped reserves. All of these proposed locations are either infill wells or very close direct step-out wells in densely spaced existing lease developments. Type-curve production profiles were prepared based on the existing wells completed in the target reservoir, and those associated production profiles were then applied to the proposed locations.

In the preparation of this report, gross production estimated through November 30, 2017, was deducted from gross ultimate recovery to arrive at the estimates of gross reserves. In some fields this required that the production rates be estimated for up to 5 months, since production data from certain properties were available only through June 2017. Data available from wells drilled through November 30, 2017, were used in this report. The development status represents the status applicable on November 30, 2017.

Gas quantities estimated herein are expressed as separator gas and sales gas. Sales gas is defined as the total gas to be produced from the reservoirs, measured at the point of delivery, after reduction for fuel use, flare, and shrinkage resulting from field separation and processing. Separator gas is the gas remaining after field separation but prior to gas processing and shrinkage for fuel use or flare. Gas reserves estimated herein are reported as sales gas. Gross gas reserves are shown as separator gas and sales gas in the appendix to this report. All gas reserves are expressed at a temperature base of 60 degrees Fahrenheit and at the pressure base of the state in which the reserves are located. Gas reserves included in the appendix to this report are expressed in thousands of cubic feet (Mcf).

Oil and condensate reserves estimated herein are those to be recovered by conventional lease separation. NGL reserves are those attributed to the leasehold interests according to processing agreements. Oil, condensate, and NGL reserves included in the appendix to this report are expressed in barrels (bbl) representing 42 United States gallons per barrel. Net gas reserves are shown in the appendix converted to oil equivalent using a factor of 6,000 cubic feet of gas per 1 barrel of oil equivalent (boe). For reporting purposes, oil and condensate reserves have been estimated separately and are presented herein as a summed quantity.

DEGOLYER AND MACNAUGHTON

The estimated gross and net proved reserves, as of November 30, 2017, of the properties evaluated are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	Gross Reserves			Net Reserves		
	Oil and Condensate (Mbbl)	NGL (Mbbl)	Sales Gas (MMcf)	Oil and Condensate (Mbbl)	NGL (Mbbl)	Sales Gas (MMcf)
Proved						
Developed Producing	68,274	1,633	160,943	62,917	1,266	101,022
Developed Non-Producing	5,978	9	441	5,895	8	386
Total Proved Developed	**74,252**	**1,642**	**161,384**	**68,812**	**1,274**	**101,408**
Undeveloped	32,926	0	172,803	32,052	0	136,791
Total Proved	**107,178**	**1,642**	**334,187**	**100,864**	**1,274**	**238,199**

VALUATION of RESERVES

Revenue values in this report were estimated for proved reserves using price and expenditure assumptions provided by Berry. Future prices were estimated using guidelines established by the SEC and the FASB. The following assumptions were used for estimating future prices and expenditures:

Oil, Condensate, and NGL Prices

Oil, condensate, and NGL price differentials for each property were provided by Berry. The prices were calculated using these differentials to a posted Europe Brent oil price of $53.40 per barrel and were held constant for the lives of the properties. The Brent oil price of $53.40 per barrel is the 12-month average price calculated as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month period prior to November 30, 2017. The volume-weighted average prices over the lives of the properties were $47.24 per barrel of oil and condensate and $27.23 per barrel of NGL.

Gas Prices

Gas price differentials for each property were provided by Berry. The prices were calculated using these differentials to a Henry Hub price of $3.01 per million British thermal units (MMBtu) and were held constant for the lives of the properties. The Henry Hub gas price of $3.01 per MMBtu is the 12-month average price calculated as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month period prior to November 30, 2017. British thermal unit factors were provided by Berry and used to convert prices from dollars per MMBtu to dollars per thousand cubic feet ($/Mcf). The volume-weighted average price over the lives of the properties was $2.967 per thousand cubic feet of gas.

Production and Ad Valorem Taxes

Production taxes were calculated using the tax rates for the state in which the property is located, including, where appropriate, abatements for enhanced recovery programs. Ad valorem taxes were calculated using rates provided by Berry that were based on recent payments.

Operating Expenses, Capital Costs, and Abandonment Costs

Estimates of operating expenses, provided by Berry and based on current expenses, were held constant for the lives of the properties. Future capital expenditures were estimated using 2017 values, provided by Berry, and were not adjusted for inflation. Abandonment costs, net of salvage where applicable, were provided by Berry for all properties and include all reclamation and restoration costs associated with abandonment. The abandonment costs were provided by Berry in aggregate at the District level except for wells drilled in 2017 and proposed undeveloped wells where they are shown with the individual property.

The estimated future revenue and costs to be derived from the production and sale of the net proved reserves, as of November 30, 2017, of the properties evaluated are summarized as follows, expressed in thousands of dollars (M$):

	Proved Developed Producing (M$)	Proved Developed Non-Producing (M$)	Total Proved Developed (M$)	Proved Undeveloped (M$)	Total Proved (M$)
Future Gross Revenue	3,230,530	286,958	3,517,488	1,988,852	5,506,340
Production Taxes	66,504	3,298	69,802	13,188	82,990
Ad Valorem Taxes	84,617	9,331	93,948	61,394	155,342
Operating Expenses	1,696,362	96,667	1,793,029	695,671	2,488,700
Capital Costs	51,121	10,443	61,564	488,768	550,332
Abandonment Costs	92,700	344	93,044	37,564	130,608
Future Net Revenue	1,239,226	166,875	1,406,101	692,267	2,098,368
Present Worth at 10 Percent	740,776	84,537	825,313	243,364	1,068,677

Note: Future income taxes have not been taken into account in the preparation of these estimates.

In our opinion, the information relating to estimated proved reserves, estimated future net revenue from proved reserves, and present worth of estimated future net revenue from proved reserves of oil, condensate, natural gas liquids, and gas contained in this report has been prepared in accordance with Paragraphs 932-235-50-4, 932-235-50-6, 932-235-50-7, 932-235-50-9, 932-235-50-30, and 932-235-50-31(a), (b), and (e) of the Accounting Standards Update 932-235-50, *Extractive Industries – Oil and Gas (Topic 932): Oil and Gas Reserve Estimation and Disclosures* (January 2010) of the Financial Accounting Standards Board and Rules 4–10(a) (1)–(32) of Regulation S–X and Rules 302(b), 1201, 1202(a) (1), (2), (3), (4), (8)(i), (ii), and (v)–(x), and 1203(a) of Regulation

S-K of the Securities and Exchange Commission; provided, however, that (i) future income tax expenses have not been taken into account in estimating the future net revenue and present worth values set forth herein, (ii) estimates of the proved developed and proved undeveloped reserves are not presented at the beginning of the year, and (iii) the as-of date of the report does not coincide with Berry's fiscal year.

To the extent the above-enumerated rules, regulations, and statements require determinations of an accounting or legal nature, we, as engineers, are necessarily unable to express an opinion as to whether the above-described information is in accordance therewith or sufficient therefor.

The appendix bound with this report includes (1) summary projections of proved reserves and revenue by reserves category, (2) summary projections of proved reserves and revenue by state, asset, and reserves category, (3) summary projections of proved reserves and revenue by asset, district, and reserves category, and (4) tabulations of proved reserves and revenue by asset, district, unit-lease/field, reserves category, and case name.

SUMMARY and CONCLUSIONS

Berry has represented that it owns interests in certain properties in California, Colorado, Texas, and Utah. The estimated net proved reserves of the properties evaluated, as of November 30, 2017, are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	Net Reserves		
	Oil and Condensate (Mbbl)	NGL (Mbbl)	Sales Gas (MMcf)
Proved			
Developed Producing	62,917	1,266	101,022
Developed Non-Producing	5,895	8	386
Total Proved Developed	**68,812**	**1,274**	**101,408**
Undeveloped	32,052	0	136,791
Total Proved	**100,864**	**1,274**	**238,199**

The estimated future revenue attributable to Berry's interests in the proved reserves, as of November 30, 2017, of the properties evaluated under the aforementioned assumptions concerning future prices and costs is summarized as follows, expressed in thousands of dollars (M$):

	Proved Developed Producing (M$)	Proved Developed Non-Producing (M$)	Total Proved Developed (M$)	Proved Undeveloped (M$)	Total Proved (M$)
Future Gross Revenue	3,230,530	286,958	3,517,488	1,988,852	5,506,340
Future Net Revenue	1,239,226	166,875	1,406,101	692,267	2,098,368
Present Worth at 10 Percent	740,776	84,537	825,313	243,364	1,068,677

Note: Future income taxes have not been taken into account in the preparation of these estimates.

While the oil and gas industry may be subject to regulatory changes from time to time that could affect an industry participant's ability to recover its reserves, we are not aware of any such governmental actions which would restrict the recovery of the November 30, 2017, estimated reserves.

DEGOLYER AND MACNAUGHTON

DeGolyer and MacNaughton is an independent petroleum engineering consulting firm that has been providing petroleum consulting services throughout the world since 1936. Our fees were not contingent on the results of our evaluation. This report has been prepared at the request of Berry. DeGolyer and MacNaughton has used all assumptions, procedures, data, and methods that it considers necessary to prepare this report.

Submitted,

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

SIGNED: January 5, 2018

Gegory K. Graves, P.E.
Senior Vice President
DeGolyer and MacNaughton