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As filed with the Securities and Exchange Commission on June 29, 2018

Registration No. 333-

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

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:

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Houston, Texas 77002-6117
(346) 718-6600

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
Common Stock, par value $0.001 per share	$100,000,000	$12,450

(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.

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 June 29, 2018

Shares

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 have applied to list our common stock on the Nasdaq Global Select Market (the "NASDAQ") under the symbol "BRY."

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 30 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 (Conflicts of Interest)" beginning on page 181 of this prospectus for additional information regarding underwriting compensation.

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

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

Goldman Sachs & Co. LLC **Wells Fargo Securities** **BMO Capital Markets**

The date of this prospectus is , 2018

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We, the selling stockholders and the underwriters have not authorized anyone to provide you with information different from that contained in this prospectus or any free writing prospectus. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. 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 ("LinnCo" and, together with LINN Energy, the "Linn Entities") acquired Berry Petroleum Company LLC ("Berry LLC") in exchange for LinnCo shares and the assumption of 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 Petroleum Corporation ("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 is not comparable to information about our performance or financial condition after the Effective Date.

The financial information and certain other information presented in this prospectus have 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 as noted or as 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 B: Glossary of Oil and Natural Gas Terms."

Our Company

We are a California-based independent upstream energy company engaged primarily in the development and production of conventional oil reserves located in the western United States. Our long-lived, predictable and high margin asset base is uniquely positioned to support our objectives of generating top-tier corporate-level returns and positive free cash flow through commodity price cycles. We believe that executing our strategy across our low-declining production base and extensive inventory of identified drilling locations will result in long-term, capital efficient production growth as well as the ability to return excess free cash flow to stockholders.

We target onshore, low-cost, low-risk, oil-rich reservoirs in the San Joaquin basin of California and the Uinta basin of Utah, and, to a lesser extent, the low geologic risk natural gas resource play in the Piceance basin in Colorado. In the aggregate, the Company's assets are characterized by:

- high oil content, which makes up approximately 81% of our production;
- favorable Brent-influenced crude oil pricing dynamics;
- long-lived reserves with low and predictable production decline rates;
- stable and predictable development and production cost structures;
- a large inventory of low-risk identified development drilling opportunities with attractive full-cycle economics; and
- potential in-basin organic and strategic opportunities to expand our existing inventory with new locations of substantially similar geology and economics.

California is and has been one of the most productive oil and natural gas regions in the world. Our asset base is concentrated in the oil-rich San Joaquin basin in California, which has more than 100 years of production history and substantial remaining oil in place. As a result of these attributes, we have a strong understanding of many of the basin's geologic and reservoir characteristics, leading to predictable, repeatable, low-risk development opportunities.

In California, we focus on conventional, shallow reservoirs, the drilling and completion of which are relatively low-cost in contrast to modern unconventional resource plays. Our decades-old proven completion

techniques in these reservoirs include steamflood and low-volume fracture stimulation. For example, we estimate the cost of Proved Undeveloped Reserves ("PUD") wells drilled and completed in California will average less than $450,000 per well. In contrast, we estimate the cost of PUD wells drilled and completed in the Piceance basin will average $1.8 million per well. Using SEC Pricing as of December 31, 2017, there were approximately 80 gross PUD locations associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude these Piceance locations.

We also own assets in the Uinta basin in Utah, a stacked, multi-bench, light-oil-prone play with significant undeveloped resources where we have high operational control and additional behind pipe potential and in the East Texas basin, an extensive over-pressured natural gas cell, as well as in the Piceance basin in Colorado, a prolific low geologic risk natural gas play where we produce from a conventional, tight sandstone reservoir using proven slick water fracture stimulation techniques to increase recoveries.

We are led by an executive leadership team with over 100 years of combined energy industry experience and an average of over 25 years in the sector. Our management will leverage their collective experience, which spans domestic and international basins as well as a variety of reservoir recovery types, to enhance existing production, improve drilling and completion techniques, control costs and maximize the ultimate recovery of hydrocarbons from our assets with the ultimate objective of increasing stockholder value.

Using SEC Pricing as of December 31, 2017, we had estimated total proved reserves of 141,384 MBoe. For the three months ended March 31, 2018, we had average production of approximately 26.2 MBoe/d, of which approximately 81% was oil. In California, our average production for the three months ended March 31, 2018 was 18.8 MBoe/d, of which approximately 100% was oil.

The Berry Advantage

We believe that our combination of low production decline rates, high margin oil-weighted production, attractive development opportunities and a stable cost environment differentiates us from our competitors and provides for low-breakeven commodity prices and an ability to generate top-tier corporate level returns, positive levered free cash flow and capital-efficient growth through commodity price cycles.

Our Low Declining Production Base

Our reserves are generally long-lived and characterized by relatively low production decline rates, affording us significant capital flexibility and an ability to efficiently hedge material quantities of future expected production. For example, our PDP reserves have an estimated compound annual decline rate of approximately 13% between 2018 and 2022 based on total PDP reserves as of December 31, 2017 as reflected in our SEC reserve report, which is attached as Annex A. Our SEC reserve report is based on the estimated individual well production profiles used to determine our PDP reserves. Based on the assumptions underlying our PUD estimates, we estimate that the annual capital budget required to keep production volumes consistent each year over the next three years is approximately $110 million.

Our Oil-Weighted, High Margin Production

Our highly oil-weighted production combined with a Brent-influenced California pricing dynamic and stable cost structures has resulted, and is expected to continue to result, in strong operating margins. As of December 31, 2017, our California PUD reserves were 100% oil.

Our Attractive Development Opportunities

Our estimated development costs associated with our PUD reserves are $8.89 per Boe on a total company basis and $10.95 per Boe in California. We believe that our estimated development costs, when combined with our operating costs, commodity mix and price realizations, present attractive breakeven economics for our development opportunities.

We expect our identified drilling locations to generate attractive rates of return. The following table presents our expected average single-well rates of return on drilling opportunities associated with our California PUD reserves based on the assumptions used in preparing our December 31, 2017 SEC reserve report, including pricing and cost assumptions, which can be found under "Primary Economic Assumptions" on page 6 of our reserve report. Using SEC Pricing as of December 31, 2017, there were approximately 23 MMBoe of PUDs associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude development in the Piceance basin. As a result, information with respect to our Colorado PUDs as of December 31, 2017 has been omitted from the table below. The table also includes a commodity price sensitivity scenario, which is based on Strip Pricing as of May 31, 2018.

	PUD Weighted-Average Economics			
	Per Well		IRR	
Asset	EUR (MBOE)	D&C ($ in thousands)	SEC Pricing as of December 31, 2017(1)	Strip Pricing as of May 31, 2018(2)
California	45	$ 450	51%	65%

(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 $54.42 per Bbl ICE (Brent) for oil and NGLs and $2.98 per MMBtu NYMEX Henry Hub for natural gas at December 31, 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) Our Strip Pricing oil, natural gas and NGL reserves were determined using index prices for natural gas and oil, respectively, as of May 31, 2018 without giving effect to derivative transactions. The average future prices for benchmark commodities used in determining our Strip Pricing reserves were $74.59 per Bbl for oil and NGLs for 2018, $72.98 for 2019, $69.15 for 2020 and $66.49 for 2021 thereafter, on the ICE (Brent), and $2.94 per Mcf for natural gas for 2018, $2.75 for 2019, $2.68 for 2020 and $2.66 for 2021 thereafter, on the NYMEX Henry Hub. NGL pricing used in determining our Strip Pricing reserves was approximately 36% of future crude oil prices. Also, we have taken into account pricing differentials reflective of the current market environment. Please see "—Summary Reserves and Operating Data."

Our Stable California Operating and Development Cost Environment

The operating and development cost structures of our conventional California asset base are inherently stable and predictable. Our California focus largely insulates us from the cost inflation pressures experienced by our peers who operate primarily in unconventional plays. This is the result of our established infrastructure, low-intensity service requirements and lack of dependence on inventory-constrained and often highly specialized equipment. In addition, the majority of our California assets reside in the shallow steam-flood fields of the San Joaquin basin, which are lower cost to develop compared to the water flood fields of the Los Angeles and Ventura basins.

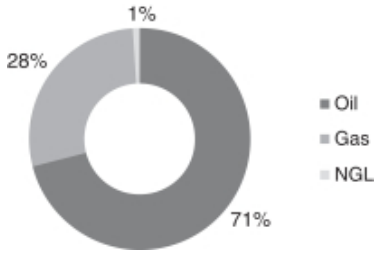
Our Reserves and Assets

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 and in the East Texas basin, an extensive over-pressured natural gas cell, as well as in the Piceance basin in Colorado, a prolific natural gas play with low geologic risk.

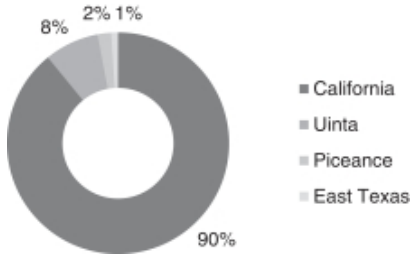
Using SEC Pricing as of December 31, 2017, the standardized measure of discounted future net cash flows of our proved reserves and the PV-10 of our proved reserves were approximately $1.0 billion and $1.1 billion, respectively. Using Strip Pricing as of May 31, 2018, the PV-10 of our proved reserves was approximately $1.9 billion. PV-10 is a financial measure that is not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). For a definition of PV-10 and a reconciliation to the standardized measure of discounted future net cash flows, please see "—Summary Reserves and Operating Data—PV-10."

The charts below summarize certain characteristics of our proved reserves and PV-10 of proved reserves using SEC Pricing as of December 31, 2017 and Strip Pricing as of May 31, 2018 (as described in the tables below and in "—Summary Reserves and Operating Data"):

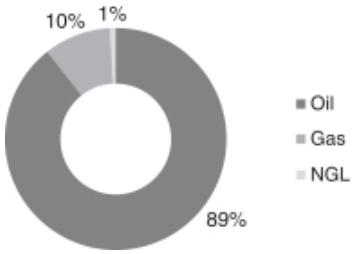
1P Reserves by Commodity (SEC Pricing)
(141 MMBoe)



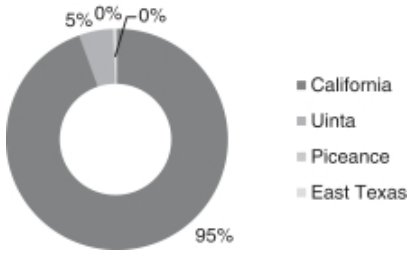
1P PV-10 by Area (SEC Pricing)
($1.1 billion)



1P Reserves by Commodity (Strip Pricing)
(115 MMBoe)



1P PV-10 by Area (Strip Pricing)
($1.9 billion)



The tables below summarize our proved reserves and PV-10 by category using SEC Pricing as of December 31, 2017 and Strip Pricing as of May 31, 2018:

	SEC Pricing as of December 31, 2018(1)							
	Oil (MMBbl)	Natural Gas (Bcf)	NGLs (MMBbl)	Total (MMBoe)	% of Proved	% Proved Developed	Capex(2) ($MM)	PV-10(3) ($MM)
PDP	63	100	1	81	57	93	$ 50	$ 762
PDNP	6	—	—	6	4	7	10	89
PUD(5)	32	137	—	55	39	—	488	262
Total	101	237	1	141	100	100	$ 548	$ 1,114

	Strip Pricing as of May 31, 2018(4)							
	Oil (MMBbl)	Natural Gas (Bcf)	NGLs (MMBbl)	Total (MMBoe)	% of Proved	% Proved Developed	Capex(2) ($MM)	PV-10(3) ($MM)
PDP	64	67	1	77	67	93	50	1,205
PDNP	6	—	—	6	5	7	10	136
PUD	32	—	—	32	28	—	348	521
Total	102	67	1	115	100	100	407	1,862

(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 $54.42 per Bbl ICE (Brent) for oil and NGLs and $2.98 per MMBtu NYMEX Henry Hub for natural gas at December 31, 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 December 31, 2017.

(3) PV-10 is a financial measure that is not calculated in accordance with GAAP. For a definition of PV-10 and a reconciliation to the standardized measure of discounted future net cash flows, please see "—Summary Reserves and Operating Data—PV-10." PV-10 does not give effect to derivatives transactions.

(4) Our Strip Pricing oil, natural gas and NGL reserves were determined using index prices for natural gas and oil, respectively, as of May 31, 2018 without giving effect to derivative transactions. The average future prices for benchmark commodities used in determining our Strip Pricing reserves were $74.59 per Bbl for oil and NGLs for 2018, $72.98 for 2019, $69.15 for 2020 and $66.49 for 2021 thereafter, on the ICE (Brent), and $2.94 per Mcf for natural gas for 2018, $2.75 for 2019, $2.68 for 2020 and $2.66 for 2021 thereafter, on the NYMEX Henry Hub. NGL pricing used in determining our Strip Pricing reserves was approximately 36% of future crude oil prices. The decrease in reserve volumes using Strip Pricing as opposed to SEC Pricing is primarily the result of lower realized gas prices in Colorado using Strip Pricing as of May 31, 2018. Also, we have taken into account pricing differentials reflective of the current market environment. Please see "—Summary Reserves and Operating Data."

(5) Using SEC Pricing as of December 31, 2017, there were approximately 23 MMBoe of PUDs associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude the development in the Piceance basin.

The table below summarizes our average net daily production by basin for the three months ended March 31, 2018:

	Average Net Daily Production for the Three Months Ended March 31, 2018	
	(MBoe/d)	Oil (%)
California	18.8	100%
Uinta basin	5.0	46%
Piceance basin	1.6	1%
East Texas basin	0.8	0%
Total	26.2	81%

Our Development Inventory

We have an extensive inventory of low-risk, high-return development opportunities. As of March 31, 2018, we identified 3,397 gross drilling locations that we anticipate drilling over the next 5 to 10 years, which we refer to as our "Tier 1" locations, and 3,656 additional gross drilling locations that are currently under review. 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 operations as of March 31, 2018:

	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%	2,600	99%	94%	4,858	4,847
Uinta basin	133,016	96,096	72%	909	95%	62%	1,245	1,083
Piceance basin	10,553	8,008	85%	170	72%	74%	870	664
East Texas basin	5,853	4,533	100%	116	99%	78%	80	79
Total	160,302	116,582	76%	3,795	97%	87%	7,053	6,673

(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 approximately 790 gross (786 net) locations associated with PUDs as of December 31, 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 March 2018.

Additionally, our California assets are primarily focused on the Hill Diatomite, Thermal Diatomite and Thermal Sandstones development areas. As set forth in the table below, as of March 31, 2018, we identified 3,397 Tier 1 gross drilling locations and 3,656 additional gross drilling locations that are currently under review associated with these assets. Our drilling inventory as of March 31, 2018 does not include 250 gross (250 net) locations associated with the Chevron North Midway-Sunset acquisition, which was completed in April 2018.

					Gross Drilling Locations(1)		
State	Project Type	Well Type	Completion Type	Recovery Mechanism	Tier 1(2)	Additional	Total
California	Hill Diatomite (non-thermal)	Vertical	Low intensity pin point fracture	Pressure depletion augmented with water injection	311	585	896
California	Thermal Diatomite	Vertical	Short interval perforations	Cyclic steam injection	774	904	1,678
California	Thermal Sandstones	Vertical / Horizontal	Perforation/Slotted liner/gravel pack	Continuous and cyclic steam injection	1,860	424	2,284
Utah	Uinta	Vertical / Horizontal	Low intensity fracture stimulation	Pressure depletion	452	793	1,245
Colorado	Piceance	Vertical	Proppantless slick water fracture stimulation	Pressure depletion	— (3)	870	870
Texas	East Texas	Vertical / Horizontal	Low intensity fracture stimulation	Pressure depletion	—	80	80
Total					**3,397**	**3,656**	**7,053**

(1) We had 790 gross (786 net) locations associated with PUDs as of December 31, 2017 using SEC Pricing, including 161 gross (161 net) steamflood and waterflood injection wells. Of those 790 gross PUD locations, 710 are associated with projects in California and 80 are associated with the Piceance basin. 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. During the three months ended March 31, 2018, we drilled 30 gross (30 net) wells that were associated with PUDs at December 31, 2017, including 5 gross (5 net) steamflood and waterflood injection wells.
(2) Represents wells that we anticipate drilling over the next 5 to 10 years.
(3) Using SEC Pricing as of December 31, 2017, there were 80 gross PUD locations associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude these Piceance locations.

Other Assets

We produce oil from heavy crude reservoirs using steam to heat the oil so that it will flow. To assist in this development, we own and operate five natural gas cogeneration plants that produce steam. These plants supply approximately 23% of our steam needs and 82% of our field electricity needs in California at a discount to electricity market prices. To further offset our costs, we currently 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 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 compression facilities we operate. Approximately 90% 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 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***. 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 structure and low-risk developmental drilling opportunities with predictable production profiles. The nature of our assets provides us with 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 proved undeveloped reserves in California are projected to average single-well rates of return of approximately 51%, assuming SEC Pricing as of December 31, 2017, based on the assumptions used in preparing our SEC reserve report, which can be found under “Primary Economic Assumptions” on page 6 of our reserve report, and 65% assuming Strip Pricing as of May 31, 2018, based on the assumptions found in the Strip Pricing addendum to our reserve report. Our extensive inventory consists of 3,397 Tier 1 gross drilling locations and 3,656 additional gross drilling locations that are currently under review.
- ***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.
- ***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 levered free cash flows as well as the value of our production and reserves. In doing so, we 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.
- ***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. We expect our operations to continue to generate sufficient levered free cash flow at current commodity prices to fund maintenance operations and growth. Also, unlike our peers who operate primarily in unconventional plays, our assets generally do not necessitate inventory-constrained and highly specialized equipment, which provides us relative insulation from cost inflation pressures. Our high degree of operational control and relatively stable cost environment provide us significant visibility and understanding of our expected cash flows.

- ***Conservative balance sheet leverage with ample liquidity and minimal contractual obligations***. In February 2018, we closed a private offering of $400 million in aggregate principal amount of 7.00% senior unsecured notes due 2026 (the "2026 Notes"), which resulted in net proceeds to us of approximately $391 million after deducting expenses and the initial purchasers' discount. After giving effect to our sale of common stock in this offering, we expect to have approximately $ million of available liquidity, defined as cash on hand plus availability under the $1.5 billion reserves-based lending facility we entered into on July 31, 2017 (as amended, the "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.

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 levered free 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 proppantless slick water fracture stimulation techniques. In addition, we intend to take advantage of underdevelopment in basins where we operate by expanding our geologic investigation of deeper reservoirs on our acreage and adjacent acreage below existing producing reservoirs. Through these studies, we will seek to expand our development beyond our known productive areas in order to add probable and possible reserves to our inventory at attractive all-in costs.
- ***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.
- ***Return excess free cash flow to stockholders***. Our objective is to implement a disciplined and returns-focused approach to capital allocation in order to generate excess free cash flow. We intend to return portions of that excess free cash flow to stockholders on a quarterly basis. If commodity prices increase for a sustained period of time, we would consider repaying debt obligations or returning additional capital to shareholders. For a discussion of our dividend policy, please see "Dividend Policy."
- ***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. We will review our hedging program continuously as conditions change.

Our Capital Budget

Following Berry LLC's emergence from bankruptcy and separation from the Linn Entities, we increased our pace of development and have continued to do so in 2018. Our 2018 anticipated capital expenditure budget of approximately $140 to $160 million represents an increase of approximately 107% over our 2017 capital expenditures, including the successor and predecessor periods, of approximately $73 million. Our 2019 anticipated capital expenditure budget is approximately $210 to $230 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 and 2019 capital programs exclusively with our levered free cash flow. We expect to:

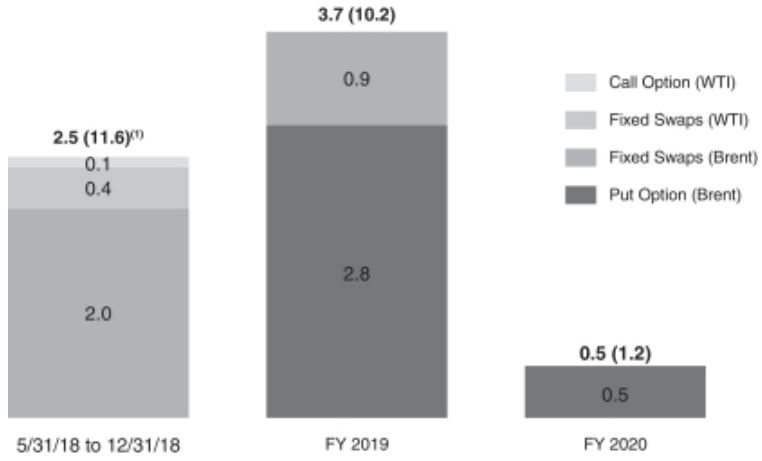
- employ:
  - three drilling rigs in California for the remainder of 2018;
  - one additional drilling rig assigned to drilling opportunities in Utah in the second half of 2018; and
  - an average of four rigs in California in 2019; and
- drill approximately 180 to 190 gross development wells in 2018, of which we expect at least 175 will be in California, and 430 to 490 gross development wells in 2019, all of which we expect will be in California.

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, and we target covering our operating expenses and fixed charges two years out. 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 May 31, 2018.

Hedge Volumes in MMBbls (MBbl/d)



	Weighted Average Prices		
Fixed Swap—WTI	$52.04	$ —	$ —
Fixed Swap—Brent	74.43	75.66	—
Call Option—WTI	55.00	—	—
Put Option—Brent(2)	—	65.00	65.00
Total	$70.29	$67.57	$65.00
Brent (31-May-2018)	$76.88	$73.75	$69.15

(1) Calculations based on 214 days as of May 31, 2018.
(2) Excludes deferred premium.

Recent Developments

Chevron North Midway-Sunset Acquisition

In April 2018, we acquired from Linn Energy Holdings, LLC, a wholly owned subsidiary of Linn Energy (“Linn Holdings”), two leases on an aggregate of 214 acres and a lease option on 490 acres (the “Chevron North Midway-Sunset Acquisition”) of land owned by Chevron U.S.A. in the north Midway-Sunset field immediately adjacent to assets we currently operate. We assumed a drilling commitment for the 214 acres of approximately $34.5 million to drill 115 wells, of which none have been drilled, on or before April 1, 2020, which has been extended to April 1, 2022, and would assume an additional 40 well drilling commitment if we exercise our option on the 490 acres. We paid no other consideration for the acquisition. Our drilling commitment will be tolled for a month for each consecutive 30-day period for which the posted price of WTI is less than $45 per barrel. Our 2018 anticipated capital expenditure budget does not currently include funding for drilling wells against the

assumed drilling commitment, but we have designated funds for drilling appraisal wells to determine whether to exercise the option. This transaction is consistent with our business strategy to investigate areas beyond our known productive areas. See "—Our Business Strategy—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."

Senior Unsecured Notes Offering

In February 2018, we closed the offering of $400 million in aggregate principal amount of our 2026 Notes, which resulted in net proceeds to us of approximately $391 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the issuance of the 2026 Notes to repay borrowings under the RBL Facility and used the remainder for general corporate purposes.

Preferred Stock Conversion

In connection with this offering, we will amend the Certificate of Designation (the "Series A Certificate of Designation") of our Series A Convertible Preferred Stock, par value $0.001 per share (the "Series A Preferred Stock"), to provide for the automatic conversion of all outstanding shares of Series A Preferred Stock. Pursuant to the amendment, each outstanding share of Series A Preferred Stock will be automatically converted into (i) 1.05 shares of common stock and (ii) the right to receive $1.75, minus the amount of any cash dividend paid by the Company on such share of Series A Preferred Stock in respect of any period commencing on or after April 1, 2018 (the "Preferred Stock Conversion"). We will use a portion of the proceeds from this offering to fund the cash payable to holders of Series A Preferred Stock in connection with the Preferred Stock Conversion. See "Use of Proceeds."

Selected Preliminary Operating and Financial Second Quarter Results

Our unaudited condensed consolidated financial statements as of and for the three months ended June 30, 2018 are not yet available. The following estimates are based on our preliminary operating and financial results as of and for the three months ended June 30, 2018 and, as of the date of this prospectus, have not been finalized. These preliminary estimates are derived from our internal records and are based on the most current information available to management. We have prepared these estimates on a basis materially consistent with our historical financial results and in good faith based on our internal reporting as of and for the three months ended June 30, 2018. However, the preliminary financial estimates are not reviewed and are unaudited, and our normal reporting processes with respect to the following preliminary operational and financial results have not been fully completed. During the course of our review process on our operating and financial results as of and for the three months ended June 30, 2018, we could identify items that would require us to make adjustments and could affect our final results. Any such adjustments could be material. Please read "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Cautionary Note Regarding Forward-Looking Statements" for additional information regarding factors that could result in differences between the preliminary operating and financial results that are presented below and the actual results as of and for the three months ended June 30, 2018.

This summary is not intended to be a comprehensive statement of our unaudited financial results for this period. The results of operations for an interim period, including the summary preliminary financial results provided below, may not give a true indication of the results to be expected for a full year or any future period. In addition, the preliminary financial results set forth below should not be viewed as a substitute for full financial statements prepared in accordance with GAAP. Our consolidated financial statements and related notes as of and

for the three months ended June 30, 2018 are not expected to be filed with the SEC until after this offering is completed.

	Three Months Ended June 30, 2018	
	Low Estimate	High Estimate
Capital Expenditures(1)		
Production and Operating Data:		
Total production (MBoe)(2)		
Revenues		
Operating expenses(3)		
Average per Boe:		
Revenues	$	$
Operating expenses(3)	$	$
Balance Sheet Data:		
Cash and cash equivalents		
Long-term debt		

(1) On an accrual basis excluding acquisitions.

(2) 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 year ended December 31, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $54.82 per Bbl and $3.11 per Mcf, respectively, resulting in an oil-to-gas ratio of over 17 to 1.

(3) Operating expenses include lease operating expenses, electricity generation expenses, transportation expenses and marketing expenses, net of electricity, transportation and marketing revenue.

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 30 for an explanation of these risks before investing in our common stock and “Cautionary Note Regarding Forward-Looking Statements” on page 50 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 and directly affect our results.
- 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, including regulatory and permitting 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 to produce steam for our operations. Viable contracts for the sale of surplus electricity, economic market prices and regulatory conditions affect the economic value of these facilities to our operations.
- 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.

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 small mining operation during the Alaskan gold rush, Mr. Berry returned to California and continued his success with oil exploration and production, founding, in the early 1900s, the business that we would later inherit. Our corporate 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 in exchange for LinnCo shares and the assumption of 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 and operational positions 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;
- a completely new and experienced management team intently focused on operational excellence and conservative financial risk management;

- the termination of, or renegotiation of more favorable terms for, several firm transportation and oil sales contracts;
- the anticipated reduction in recurring general and administrative costs as a stand-alone company by following a lean operating model; and
- $335 million of new capital in exchange for preferred equity.

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.

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. For a description of the qualifications and other requirements applicable to emerging growth companies and certain elections that we have made due to our status as an emerging growth company, see "Risk Factors—Risks Related to the Offering and Our Capital Stock—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."

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, including shares of common stock issued in connection with the Preferred Stock Conversion (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 approximately $ million of the proceeds from this offering to repay borrowings under our RBL Facility, approximately $ million to fund the cash payable to holders of our Series A Preferred Stock in connection with the Preferred Stock Conversion and any remaining proceeds for general corporate purposes. Please see “Use of Proceeds.”
Conflicts of Interest	Certain investment funds affiliated with , an underwriter in this offering, own in excess of 10% of our issued and outstanding common and Series A Preferred Stock and will receive, as a holder of Series A Preferred Stock, 5% or more of the net proceeds of this offering due to the cash payment in the connection with the Preferred Stock Conversion. In addition, an affiliate of each of Wells Fargo Securities, LLC and BMO Capital Markets Corp. is a lender under the RBL Facility and will receive 5% or more of the net proceeds of this offering due to the repayment of borrowings under the RBL Facility. Under the rules of the Financial Industry Regulatory Authority, Inc. (“FINRA”), each of , Wells Fargo Securities, LLC and BMO Capital Markets Corp. are deemed to have a conflict of interest with us within the meaning of FINRA Rule 5121. Because of the conflicts of interest, this offering is being conducted in accordance with FINRA Rule 5121, which requires, among other

	things, that a "qualified independent underwriter" participate in the preparation of, and exercise the usual standards of "due diligence" with respect to, the registration statement and this prospectus. In accordance with this rule, has assumed the responsibilities of acting as a qualified independent underwriter. will not receive any additional fees for serving as a qualified independent underwriter in connection with this offering. , Wells Fargo Securities, LLC and BMO Capital Markets Corp. will not confirm sales of the shares to any account over which it exercises discretionary authority without the prior written approval of the customer. For more information, please see "Underwriting (Conflicts of Interest)—Conflicts of Interest."
Dividend policy	We anticipate paying cash dividends on our common stock subsequent to this offering. Please see "Dividend Policy."
Listing and trading symbol	We have applied to list our common stock on the NASDAQ under the symbol "BRY."
Risk factors	You should carefully read and consider the information set forth under the heading "Risk Factors" on page 30 of this prospectus and all other information set forth in this prospectus before deciding to invest in our common stock.

The number of shares of common stock that will be outstanding after this offering excludes shares of common stock reserved and available for issuance under the Berry Petroleum Corporation 2017 Omnibus Incentive Plan, as amended and restated (our "Restated Incentive Plan"). As of June 27, 2018, 9,832,111 of the 10,000,000 shares of common stock originally authorized for issuance under the Restated Incentive Plan may be issued in the future pursuant to awards under the Restated Incentive Plan, of which 1,477,998 shares are currently subject to outstanding awards. 167,889 shares of common stock have previously been issued pursuant to awards and are included in the number of shares of common stock that will be outstanding after this offering.

The number of shares of common stock that will be outstanding after this offering also excludes 7,080,000 shares reserved for issuance in connection with settlement of bankruptcy claims as discussed in "Shares Eligible For Future Sale—Plan of Reorganization." To the extent that holders of unsecured claims elected to receive cash rather than common stock in settlement of their allowed claims, the stock they would have received from the reserved amount will be retained by us as treasury stock under the Plan. While we do not yet know the final amount of shares that we will issue to third parties with respect to the unsecured claims, we have entered into settlement agreements that have materially reduced the potential shares to be issued from the reserved amount. Based on the settlements we have finalized to date, we estimate that we will distribute less than million shares, and we are currently pursuing additional settlements that would further reduce the number of shares that would ultimately be issued in settlement of claims.

Summary Historical and Pro Forma Financial Information

The following table shows the summary historical financial information, for the periods and as of the dates indicated, of our predecessor company (Berry LLC) and successor company (Berry Corp.). The summary historical financial information as of and for the year ended December 31, 2016 is derived from the audited historical financial statements of Berry LLC included elsewhere in this prospectus. The summary historical financial information as of and for the two months ended February 28, 2017 is derived from audited financial statements of Berry LLC included elsewhere in this prospectus. The summary historical financial information for the ten months ended December 31, 2017 is derived from audited consolidated financial statements of Berry Corp. included elsewhere in this prospectus. The summary historical financial information as of and for the one month ended March 31, 2017 and as of and for the three months ended March 31, 2018 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 Berry LLC's historical 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 are not comparable to our 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, 2017 is derived from the audited historical financial statements of Berry LLC and Berry Corp. included elsewhere in this prospectus. The summary unaudited pro forma financial information for the three months ended March 31, 2018 is derived from the unaudited historical financial statements of Berry Corp. included elsewhere in this prospectus.

The summary unaudited pro forma financial information for the year ended December 31, 2017 has been prepared to give pro forma effect to (i) the Plan and related transactions and fresh-start accounting, (ii) our sale of an approximately 78% non-operated working interest in the Hugoton natural gas field located in southwest Kansas and the Oklahoma Panhandle on July 30, 2017 (the "Hugoton Disposition") and (iii) the Preferred Stock Conversion and this offering, including the application of net proceeds from this offering, as if each had been completed as of January 1, 2017. The summary unaudited pro forma financial information does not give effect to the acquisition we made of 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") 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, the Hugoton Disposition, the Preferred Stock Conversion or this offering, including the application of net proceeds from this offering, 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. (Successor)			Berry LLC (Predecessor)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(unaudited)	(audited)	(unaudited)	(audited)	
			($ in thousands)		
Statements of Operations Data:					
Oil, natural gas and NGL sales	$ 125,624	$ 357,928	$ 33,678	$ 74,120	$ 392,345
Electricity sales	5,453	21,972	891	3,655	23,204
(Losses) gains on oil and natural gas derivatives	(34,644)	(66,900)	24,123	12,886	(15,781)
Marketing revenues	785	2,694	281	633	3,653
Other revenues	66	3,975	682	1,424	7,570
Lease operating expenses	44,303	149,599	13,064	28,238	185,056
Electricity generation expenses	4,590	14,894	1,148	3,197	17,133
Transportation expenses	2,978	19,238	3,655	6,194	41,619
Marketing expenses	580	2,320	270	653	3,100
General and administrative expenses(1)	11,985	56,009	9,543	7,964	79,236
Depreciation, depletion and amortization	18,429	68,478	7,022	28,149	178,223
Impairment of long-lived assets	—	—	—	—	1,030,588
Taxes, other than income taxes	8,256	34,211	3,081	5,212	25,113
(Gains) losses on sale of assets and other, net	—	(22,930)	—	(183)	(109)
Interest expense	7,796	18,454	1,715	8,245	61,268
Other (income) expense, net	(27)	(4,071)	—	63	182
Reorganization items, net (income) expense	(8,955)	1,732	1,306	507,720	72,662
Income tax (benefit) expense	939	2,803	7,474	230	116
Net (loss) income	6,410	(21,068)	11,377	(502,964)	(1,283,196)
Dividends on Series A Preferred Stock	(5,650)	(18,248)	(1,792)	n/a	n/a
Net income (loss) available to common stockholders	760	(39,316)	9,585	n/a	n/a
Net (loss) income per share of common stock					
Basic	$ 0.02	$ (0.98)	$ 0.24	n/a	n/a
Diluted	$ 0.02	$ (0.98)	$ 0.15	n/a	n/a
Weighted average common stock outstanding					
Basic	40,023	40,000	40,000	n/a	n/a
Diluted(2)	40,248	40,000	75,845	n/a	n/a
Cash Flow Data:					
Net cash provided by (Used in)					
Operating activities	27,592	107,399	24,234	22,431	13,197
Capital expenditures	(19,876)	(65,479)	(7,700)	(3,158)	(34,796)
Acquisitions, sales of properties and other investing activities	—	(15,046)	—	25	194
Balance Sheet Data:					
(at period end)					
Total assets	$ 1,562,100	$ 1,546,402		$ 1,561,038	$ 2,652,050
Current portion of long-term debt	—	—		—	891,259
Long-term debt, net	391,123	379,000		400,000	—
Series A Preferred Stock	335,000	335,000		335,000	—
Stockholders' and/or member's equity	861,112	859,310		878,527	502,963
Other Financial Data:					
Adjusted EBITDA(3)	$ 44,503	$ 149,613	$ 13,496	$ 28,845	$ 89,646
Adjusted General and Administrative Expenses(4)	8,919	23,865	1,947	7,964	79,236

(1) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of $3.1 million for the three months ended March 31, 2018, $32.1 million for the ten months ended December 31, 2017 and $7.6 million for the one month ended March 31, 2017.
(2) The Series A Preferred Stock is convertible into common stock but is not a participating security; therefore, we calculated diluted earnings per share using the "if-converted" method where the preferred dividends are added back to the numerator and the Series A Preferred Stock is assumed to be converted at the beginning of the period. No incremental shares of Series A Preferred Stock were included in the diluted earnings per share calculation for the three months ended March 31, 2018, as their effect was antidilutive under the "if-converted" method. In connection with this offering, all outstanding shares of Series A Preferred Stock will be automatically converted into shares of common stock and the right to receive cash. Please see "—Recent Developments—Preferred Stock Conversion."
(3) 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 see "—Non-GAAP Financial Measures."
(4) 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 see "—Non-GAAP Financial Measures."

	Pro Forma	
	Year Ended December 31, 2017	Three Months Ended March 31, 2018
	($ in thousands)	
Statements of Operations Data:		
Oil, natural gas and NGL sales	$	$
(Losses) gains on oil and natural gas derivatives		
Lease operating expenses		
Transportation expenses		
General and administrative expenses(1)		
Depreciation, depletion and amortization		
Taxes, other than income taxes		
Interest expense		
Reorganization items, net (income) expense.		
Income tax (benefit) expense		
Net (loss) income		

(1) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of $32.1 million for the year ended December 31, 2017 and $3.1 million for the three months ended March 31, 2018.

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 or paid for scheduled 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. (Successor)			Berry LLC (Predecessor)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
			($ in thousands)		
Adjusted EBITDA reconciliation to net income (loss):					
Net income (loss)	$ 6,410	$ (21,068)	$ 11,377	$ (502,964)	$(1,283,196)
Add (Subtract):					
Depreciation, depletion, amortization and accretion	18,429	68,478	7,022	28,149	178,223
Exploration expense	—	—	—	—	—
Interest expense	7,796	18,454	1,715	8,245	61,268
Income tax expense (benefit)	939	2,803	7,474	230	116
Derivative (gain) loss	34,644	66,900	(24,123)	(12,886)	20,386
Net cash received (paid) for derivative settlements	(17,849)	3,068	1,130	534	9,708
(Gain) on sale of assets and other	—	(22,930)	—	(183)	(109)
Impairments	—	—	—	—	1,030,588
Stock compensation expense	1,042	1,851	—	—	—
Restructuring costs	2,047	30,325	7,596	—	—
Reorganization items, net	(8,955)	1,732	1,306	507,720	72,662
Adjusted EBITDA	$ 44,503	$ 149,613	$ 13,496	$ 28,845	$ 89,646

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 and stock compensation expense is non-cash in nature. 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. (Successor)			Berry LLC (Predecessor)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	($ in thousands)				
Adjusted General and Administrative Expense reconciliation to general and administrative expenses:					
General and administrative expenses	$ 11,985	$ 56,009	$ 9,543	$ 7,964	$ 79,236
Subtract:					
Non-recurring restructuring and other costs	(2,047)	(30,325)	(7,596)	—	—
Non-cash stock compensation expense	(1,019)	(1,819)	—	—	—
Adjusted General and Administrative Expenses	$ 8,919	$ 23,865	$ 1,947	$ 7,964	$ 79,236

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 see “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 using SEC Pricing as of December 31, 2017 and Strip Pricing as of May 31, 2018. The reserve estimates presented in the table below are based on reports prepared by DeGolyer and MacNaughton. The SEC Pricing reserve estimates were prepared in accordance with current SEC rules and regulations regarding oil, natural gas and NGL reserve reporting and Strip Pricing data was prepared using closing month futures prices as reported on the ICE (Brent) for oil and NGLs and NYMEX Henry Hub for natural gas on May 31, 2018. Reserves are stated net of applicable royalties.

	SEC Pricing as of December 31, 2017(1)					Strip Pricing as of May 31, 2018(2)				
	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total
Proved developed reserves:										
Oil (MMBbl)	61	7	—	—	68	63	7	—	—	70
Natural Gas (Bcf)	—	47	42	12	100	—	41	17	9	67
NGLs (MMBbl)	—	1	—	—	1	—	1	—	—	1
Total (MMBoe)(3)(4)	61	16	7	2	86	63	15	3	2	82
Proved undeveloped reserves(6):										
Oil (MMBbl)	32	—	—	—	32	32	—	—	—	32
Natural Gas (Bcf)	—	—	137	—	137	—	—	—	—	—
NGLs (MMBbl)	—	—	—	—	—	—	—	—	—	—
Total (MMBoe)(4)	32	—	23	—	55	32	—	—	—	32
Total proved reserves:										
Oil (MMBbl)	93	7	—	—	101	95	7	—	—	102
Natural Gas (Bcf)	—	47	179	12	237	—	41	17	9	67
NGLs (MMBbl)	—	1	—	—	1	—	1	—	—	1
Total (MMBoe)(4)	93	16	30	2	141	95	15	3	2	115
PV-10 ($MM)(5)	998	84	24	7	1,114	1,762	91	4	5	1,862

(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 $54.42 per Bbl ICE (Brent) for oil and NGLs and $2.98 per MMBtu NYMEX Henry Hub for natural gas at December 31, 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 and directly affect our results.”

(2) Our estimated net proved Strip Pricing reserves were prepared on the same basis as our SEC reserves, except for the use of pricing based on closing monthly futures prices as reported on the ICE (Brent) for oil and NGLs and NYMEX Henry Hub for natural gas on May 31, 2018.

Our Strip Pricing oil, natural gas and NGL reserves were determined using index prices for natural gas and oil, respectively, as of May 31, 2018 without giving effect to derivative transactions. The average future prices for benchmark commodities used in determining our Strip Pricing reserves were $74.59 per Bbl for oil and NGLs for 2018, $72.98 for 2019, $69.15 for 2020 and $66.49 for 2021 thereafter, on the ICE (Brent), and $2.94 per Mcf for natural gas for 2018, $2.75 for 2019, $2.68 for 2020 and $2.66 for 2021 thereafter, on the NYMEX Henry Hub. NGL pricing used in determining our Strip Pricing reserves was approximately 36% of future crude oil prices. Also, we have taken into account pricing differentials reflective of the current market environment.

We believe that the use of forward prices provides investors with additional useful information about our reserves, as the forward prices are based on the market's forward-looking expectations of oil and natural gas prices as of a certain date. Strip Pricing futures prices are not necessarily an accurate projection of future oil and gas prices. Investors should be careful to consider forward prices in addition to, and not as a substitute for, SEC prices, when considering our oil and natural gas reserves.

The decrease in reserve volumes using Strip Pricing as opposed to SEC Pricing is primarily the result of lower realized gas prices in Colorado using Strip Pricing as of May 31, 2018.

(3) 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.

(4) 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 year ended December 31, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $54.82 per Bbl and $3.11 per Mcf, respectively, resulting in an oil-to-gas ratio of over 17 to 1.

(5) For a definition of PV-10 and a reconciliation to the standardized measure of discounted future net cash flows, please see "—PV-10." PV-10 does not give effect to derivatives transactions.

(6) Using SEC Pricing as of December 31, 2017, there were approximately 23 MMBoe of PUDs associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude these Piceance locations.

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.

The following table provides a reconciliation of PV-10 of our proved reserves to the standardized measure of discounted future net cash flows using SEC Pricing at December 31, 2017 (in millions):

	At December 31, 2017
PV-10	1,114
Less: present value of future income taxes discounted at 10%	(137)
Standardized measure of discounted future net cash flows	977

GAAP does not prescribe any corresponding measure for PV-10 of reserves as of an interim date or on any basis other than SEC prices. As a result, it is not practicable for us to reconcile PV-10 using Strip Pricing as of May 31, 2018 to GAAP standardized measure.

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 year ended December 31, 2016, the two months ended

February 28, 2017, the one month ended March 31, 2017, the ten months ended December 31, 2017 and the three months ended March 31, 2018 and (ii) on a pro forma basis for the year ended December 31, 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, 2017, 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(4)	Berry Corp. (Successor)			Berry LLC (Predecessor)	
	Year Ended December 31, 2017	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Production Data:						
Oil (MBbl/d)	20.5	21.1	20.6	18.9	19.5	23.1
Natural gas (MMcf/d)	31.2	27.6	49.4	71.7	71.7	78.1
NGLs (MBbl/d)	0.6	0.5	2.0	3.6	5.2	3.6
Average daily combined production (MBoe/d)(1)	26.3	26.2	30.9	34.5	36.6	39.7
Oil (MBbl)	7,471	1,897	6,318	586	1,153	8,463
Natural gas (MMcf)	11,382	2,481	15,119	2,221	4,232	28,577
NGLs (MBbl)	216	45	605	112	304	1,307
Total combined production (MBoe)(1)	9,584	2,356	9,443	1,068	2,162	14,533
Weighted average realized prices:						
Oil with hedges (per Bbl)	$ 48.37	$ 52.74	$ 48.53	$ 46.46	$ 47.40	$ 36.88
Oil without hedges (per Bbl)	$ 47.89	$ 62.14	$ 48.05	$ 44.54	$ 46.94	$ 35.83
Natural gas (per Mcf)	$ 2.82	$ 2.64	$ 2.70	$ 2.45	$ 3.42	$ 2.31
NGLs (per Bbl)	$ 20.00	$ 25.56	$ 22.23	$ 19.03	$ 18.20	$ 17.67
Average Benchmark prices:						
ICE (Brent) oil ($/Bbl)	$ 54.82	$ 67.16	$ 54.65	$ 52.54	$ 55.72	$ 45.00
NYMEX (WTI) oil ($/Bbl)	$ 50.95	$ 62.87	$ 50.53	$ 49.67	$ 53.04	$ 43.32
NYMEX Henry Hub natural gas ($/Mcf)	$ 3.11	$ 3.00	$ 3.00	$ 2.63	$ 3.66	$ 2.46
Average costs per Boe(2):						
Lease operating expenses	$ 17.92	$ 18.80	$ 15.84	$ 12.23	$ 13.06	$ 12.73
Electricity generation expenses	$ 1.89	$ 1.94	$ 1.58	$ 1.07	$ 1.48	$ 1.18
Electricity sales	$ (2.67)	$ (2.31)	$ (2.33)	$ (0.83)	$ (1.69)	$ (1.60)
Transportation expenses	$ 1.61	$ 1.26	$ 2.04	$ 3.42	$ 2.86	$ 2.86
Marketing expenses	$ 0.31	$ 0.25	$ 0.25	$ 0.25	$ 0.30	$ 0.21
Marketing revenues	$ (0.35)	$ (0.33)	$ (0.29)	$ (0.26)	$ (0.29)	$ (0.25)
Total operating expenses	$ 18.71	$ 19.61	$ 17.09	$ 15.88	$ 15.72	$ 15.13
Taxes, other than income taxes	$ 3.61	$ 3.50	$ 3.62	$ 2.88	$ 2.41	$ 1.73
General and Administrative Expenses(3)	$ 6.54	$ 5.09	$ 5.93	$ 8.94	$ 3.68	$ 5.45
Depreciation, depletion and amortization	$ 7.91	$ 7.82	$ 7.25	$ 6.57	$ 13.02	$ 12.26

(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 year ended December 31, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $54.82 per Bbl and $3.11 per Mcf, respectively, resulting in an oil-to-gas ratio of over 17 to 1.

(2) We report electricity, transportation 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. Transportation sales relate to water and other liquids that we transport on our systems on behalf of third parties and have not been significant to-date.

(3) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of approximately $1.30/Boe for the three months ended March 31, 2018, $2.77/Boe for the pro forma year ended December 31, 2017, $3.40/Boe for the ten months ended December 31, 2017 and $7.11/Boe for the one month ended March 31, 2017.

(4) Does not include the effects of the Hill Acquisition. We estimate that the additional production associated with the Hill Acquisition for the year ended December 31, 2017 was approximately 633,000 Boe or 1,734 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 and directly affect our results.

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 crude oil future contract price declined from a high of over $100.16 per Bbl on June 24, 2014 to a low of $40.67 per Bbl on January 20, 2016. The Henry Hub spot price for natural gas has also declined since 2014. While oil 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;
- prevailing prices on local price indexes in the areas in which we operate;
- 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;
- 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 PUDs 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, including regulatory and permitting 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 $140 million to $160 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 was 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 conditions 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. Our hedges are based on major oil and gas indexes, which may not fully reflect the prices we realize locally. Consequently, the price protection we receive may not fully offset local price declines.

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, and our commodity-price risk-management activities may prevent us from fully benefitting from price increases and may expose us to other risks.

As of May 31, 2018, we have hedged approximately 2.5 MMBbls for 2018, 3.7 MMBbls for 2019 and 0.5 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. These permits are generally subject to protest, appeal or litigation, which could in certain cases delay or halt projects, production of wells and other operations. Additionally, 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 of California 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 and directly affect our results.”);

- 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 and, potentially acquisitions, 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 water 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 investments (including certain loans to others);
- 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 or certain other obligations;
- transfer, sell or otherwise dispose of assets;
- repay or prepay certain indebtedness prior to the due date;
- 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.

The borrowing base under the RBL Facility is subject to periodic redetermination.

The amount available to be borrowed under the RBL Facility is subject to a borrowing base and will be redetermined semiannually on or about each May 1 and November 1 and will depend on the volumes of our estimated proved oil and natural gas reserves and estimated cash flows from these reserves and other information deemed relevant by the administrative agent of the RBL Facility. We may request one additional redetermination between each regularly scheduled redetermination and the administrative agent and the lenders may request one additional redetermination between each regularly scheduled redetermination. Furthermore, our borrowing base is subject to automatic reductions due to certain asset sales and hedge terminations, the incurrence of certain other debt and other events as provided in the RBL Facility. For example, the RBL Facility currently provides that to the extent we incur certain unsecured indebtedness, our borrowing base will be reduced by an amount equal to 25% of the amount of such unsecured debt that exceeds the amount, if any, of certain other debt that is being refinanced by such unsecured debt. Redeterminations will be based upon a number of factors, including commodity prices and reserve levels. We could be required to repay a portion of the RBL Facility to the extent that after a redetermination our outstanding borrowings at such time exceed the redetermined borrowing base. We may not have sufficient funds to make such repayments, which could result in a default under the terms of the facility and an acceleration of the loans outstanding under the facility, requiring us to negotiate renewals, arrange new financing or sell significant assets, all of which could have a material adverse effect on our business and financial results.

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 to produce steam for our operations. Viable contracts for the sale of surplus electricity, economic market prices and regulatory conditions affect the economic value of these facilities to our operations.

We are dependent on five cogeneration facilities that, combined, provide approximately 23% of our steam capacity and 82% of our field electricity needs in California at a discount to market rates. To further offset our costs, we sell surplus power to California utility companies produced by three of our cogeneration facilities under long-term contracts. These facilities are dependent on viable contracts for the sale of electricity. Should we lose, be unable to renew on favorable terms, or be unable to replace such contracts, we may be unable to realize the cost offset currently received. Furthermore, 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."

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 the 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. The RBL Facility and our 2026 Notes currently restrict 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.

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 three months ended March 31, 2018, sales of oil, natural gas and NGLs to Andeavor, Phillips 66 and Kern Oil & Refining accounted for approximately 37%, 29% and 14%, respectively, of our sales. For the ten months ended December 31, 2017, sales of oil, natural gas and NGLs to Andeavor, Phillips 66 and Kern Oil & Refining accounted for approximately 37%, 34% and 15%, respectively, of our sales. For the two months ended February 28, 2017, sales of oil, natural gas and NGLs to Andeavor and Phillips 66 accounted for approximately 36% and 31%, 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, refineries and terminal facilities, competition for capacity on such

facilities, refinery shutdowns and turnarounds 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. 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 see "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 (the "Tax 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. Any 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 of acquiring 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, marketing and transportation and abandonment activities, are subject to 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. We are exposed to similar risks indirectly through our customers and other market participants such as refiners. 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.

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 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. 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 are not 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 are not 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 "Risks Related to the Offering and our Capital Stock—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 common stock may have limited or no ability to sell their shares. In addition, the initial public offering price of our common stock may not be indicative of the market price of our common stock after this offering.

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 NASDAQ, or otherwise, or how active and liquid that market may become. The trading price on the NASDAQ may bear no relation to the historical prices on the OTC Grey Market. There can be no assurance that a market for our common stock will be established or that, if established, a market will be sustained. Therefore, holders of our common stock may be unable to sell their shares.

The market price of our common stock could be subject to wide fluctuations in response to, and the level of trading that develops for our common stock may be affected by, numerous factors, many of which are beyond our control. In the event of a drop in the market price of our common stock, you could lose a substantial part or all of your investment in our common stock. The initial public offering price will be negotiated between us, the selling stockholders and representative of the underwriters, based on numerous factors that we discuss in "Underwriting (Conflicts of Interest)," and may not be indicative of the market price of our common stock after this offering. Consequently, you may not be able to sell shares of our common stock at prices equal to or greater than the price paid by you in this offering.

The following factors, among other things, could impact our stock price: our limited trading history; our limited trading volume, the concentration of holdings of our common stock; the lack of comparable historical financial information, in certain material respects, given the adoption of fresh-start accounting; actual or anticipated variations in our financial and operating results and cash flows; the nature and content of our earnings releases, other public announcements and our filings with the SEC; the failure of research analysts to cover our common stock; changes in recommendations or withdrawal of research coverage, by equity research analysts; speculation in the press or investment community; sales of our common stock by us, the selling stockholders or other stockholders, or the perception that such sales may occur; changes in accounting principles, policies, guidance, interpretations or standards; additions or departures of key management personnel; actions by our stockholders; announcements or events that impact our assets, customers, competitors or markets; domestic and international economic, legal and regulatory factors unrelated to our performance; business conditions in our markets and the general state of the securities markets and the market for energy-related stocks; 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 common stock or as to the liquidity of the trading market for our common stock. If an active trading market does not develop or is not maintained, significant sales of our common stock, or the expectation of these sales, could materially and adversely affect the market price of our common stock.

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 June 29, 2018, a majority of our outstanding common stock and our outstanding Series A Preferred Stock, which, in connection with this offering, will be automatically converted into shares of our common stock and the right to receive cash, was beneficially owned by a relatively small number of stockholders. For more information regarding the Preferred Stock Conversion, please see "Prospectus Summary—Recent Developments—Preferred Stock Conversion." Circumstances may arise in which these stockholders may have an interest in pursuing or preventing acquisitions, divestitures, hostile takeovers 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. In addition, our significant concentration of share ownership may adversely affect the trading

price of our common stock 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. (as amended in connection with this offering, 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 be unavailable 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, 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 March 31, 2018 after giving effect to this offering and the Preferred Stock Conversion 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, shares that we may sell in this offering if the underwriters' option to purchase additional shares is fully exercised and shares resulting from the Preferred Stock Conversion. We have entered into an amended and restated registration rights agreement with certain of our stockholders, including the selling stockholders (the "Registration Rights Agreement"), 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. As of June 7, 2018, there were 24,857,198 shares of our common stock and 31,835,242 shares of Series A Preferred Stock, each of which will be converted into 1.05 shares of common stock in connection with the Preferred Stock Conversion, outstanding that were owned by stockholders with rights under the Registration Rights Agreement. For more information see "Description of Capital Stock—Registration Rights."

The issuance of any securities for acquisitions, 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 Restated 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 shares of our common stock issued or reserved for issuance under our Restated 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 Restated Incentive Plan in the future.

We may issue preferred stock whose terms could adversely affect the voting power or value of our common stock.

The Certificate of Incorporation authorizes us to issue, without the approval of our stockholders, one or more classes or series of preferred stock having such designations, preferences, limitations and relative rights, including preferences over our common stock respecting dividends and distributions, as our board of directors may determine. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of our common stock. For example, we might grant holders of preferred stock the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we might assign to holders of preferred stock could affect the residual value of the common stock.

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(b) of the Sarbanes-Oxley Act or any new requirements adopted by 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, 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 and rules promulgated by the NASDAQ, 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(b) 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. Further, we expect that being a public company subject to these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as executive officers. We are currently evaluating these rules, and we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

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 the financial information and 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.

Effective internal controls are necessary for us to provide reliable financial reports, safeguard our assets, prevent fraud and operate successfully as a public company. If we cannot provide reliable financial reports, safeguard our assets or prevent fraud, our reputation and operating results could be harmed. 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. Further, 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, 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 Form of the Second 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, we and many of the largest holders of our equity securities will be bound by a stockholders agreement that will require us to nominate for election and take all other necessary actions to cause individuals designated by certain large stockholders to be elected to the board of directors.

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.

Our Certificate of Incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents.

Our Certificate of Incorporation 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 (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (iii) any action asserting a claim against us, our directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law (the "DGCL"), our Certificate of Incorporation or our Bylaws or (iv) any action asserting a claim against us, our directors, officers or employees that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having subject matter jurisdiction and personal jurisdiction over the indispensable parties named as defendants therein. Any person or entity purchasing or otherwise acquiring any interest in shares of our common stock will be deemed to have notice of, and consented to, the provisions of our Certificate of Incorporation described in the preceding sentence. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and such persons. Alternatively, if a court were to find these provisions of our Certificate of Incorporation inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition or results of operations.

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, the selling stockholders and certain other 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 180 days following the date of this prospectus. Goldman Sachs & Co. LLC and Wells Fargo Securities, LLC at any time and with notice, as applicable, may release all or any portion of the common stock subject to the foregoing lock-up agreements. See "Underwriting (Conflicts of Interest)" 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 approximately $ million of the proceeds from this offering to repay borrowings under our RBL Facility, approximately $ million to fund the cash payable to holders of our Series A Preferred Stock in connection with the Preferred Stock Conversion and any remaining proceeds 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 . 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 common stock to date; however, we anticipate paying cash dividends on our common stock subsequent to this offering.

In March 2018, the board of directors approved a cumulative paid-in-kind dividend on the Series A Preferred Stock for the periods through December 31, 2017. The cumulative dividend was 0.050907 per share, or approximately 1,825,000 shares in total. Also in March 2018, the board of directors approved a $0.158 per share, or approximately $5.6 million, cash dividend on the Series A Preferred Stock for the quarter ended March 31, 2018. Each dividend was paid in April 2018 to stockholders of record as of March 15, 2018.

In May 2018, the board of directors approved a $0.15 per share, or approximately $5.7 million, cash dividend on the Series A Preferred Stock for the quarter ended June 30, 2018. The dividend will be paid in June to stockholders of record as of June 7, 2018.

In connection with this offering, all outstanding shares of Series A Preferred Stock will be automatically converted into shares of common stock and the right to receive cash. Please see “Prospectus Summary—Recent Developments—Preferred Stock Conversion.”

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 March 31, 2018:

- on an actual basis; and
- on an as 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, the application of the net proceeds we receive from this offering as set forth under "Use of Proceeds" and the Preferred Stock Conversion.

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 March 31, 2018	
	Actual	As Adjusted(1)
	($ in thousands)	
Cash, cash equivalents and restricted cash	$ 88,639	$
Debt:		
RBL Facility(2)	$ —	$
Senior Notes due 2026(3)	400,000	
Total debt	400,000	
Stockholders' Equity		
Series A Preferred Stock—$0.001 par value, 250,000,000 shares authorized (actual and as adjusted); 35,845,001 shares issued and outstanding (actual) and no shares issued and outstanding (as adjusted)(4)	335,000	—
Common Stock—$0.001 par value, 750,000,000 shares authorized (actual and as adjusted); 32,995,233 shares issued and outstanding (actual); and shares issued and outstanding (as adjusted)	526,112	
Total stockholders' equity	861,112	
Total capitalization	$1,261,112	$

(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 , 2018, the outstanding balance under the RBL Facility was approximately $ million, and we had cash and cash equivalents of approximately $ million.

(3) This amount is offset by debt issuance costs of approximately $8.9 million on the condensed consolidated balance sheet.

(4) Actual does not include 1,825,000 shares issued as a paid-in-kind dividend in April 2018.

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 March 31, 2018, after giving effect to the Preferred Stock Conversion, 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 after giving effect to the Preferred Stock Conversion. 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 the Preferred Stock Conversion and further assuming the receipt of the estimated net proceeds of $ (after deducting estimated underwriting discounts and commissions and estimated offering expenses), our adjusted pro forma net tangible book value as of March 31, 2018 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 March 31, 2018	$	
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 and the Preferred Stock Conversion		
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 and the Preferred Stock Conversion 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 March 31, 2018, 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	Percent	
			($ in thousands)		
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), including giving effect to the Preferred Stock Conversion. The tables do not reflect shares of common stock reserved for issuance under our Restated Incentive Plan.

The tables do not reflect shares of common stock reserved and available for issuance under the Restated Incentive Plan. As of June 27, 2018, 9,832,111 of the 10,000,000 shares of common stock originally authorized for issuance under the Restated Incentive Plan may be issued in the future pursuant to awards under the Restated Incentive Plan, of which 1,477,998 shares are currently subject to outstanding awards. 167,889 shares of common stock have previously been issued pursuant to awards and are included in the number of shares of common stock that will be outstanding after this offering.

In addition, the tables do not reflect 7,080,000 shares reserved for issuance in connection with settlement of bankruptcy claims as discussed in "Shares Eligible For Future Sale—Plan of Reorganization." To the extent that holders of unsecured claims elected to receive cash rather than common stock in settlement of their allowed claims, the stock they would have received from the reserved amount will be retained by us as treasury stock under the Plan. While we do not yet know the final amount of shares that we will issue to third parties with respect to the unsecured claims, we have entered into settlement agreements that have materially reduced the potential shares to be issued from the reserved amount. Based on the settlements we have finalized to date, we estimate that we will distribute less than million shares, and we are currently pursuing additional settlements that would further reduce the number of shares that would ultimately be issued in settlement of claims.

SELECTED HISTORICAL FINANCIAL DATA

The following table shows the selected historical financial information, for the periods and as of the dates indicated, of our predecessor company (Berry LLC) and successor company (Berry Corp.). The selected historical financial information as of and for the year ended December 31, 2016 is derived from the audited historical financial statements of our predecessor company included elsewhere in this prospectus. The selected historical financial information as of and for the two months ended February 28, 2017 is derived from audited financial statements of our predecessor company included elsewhere in this prospectus. The selected historical financial information for the ten months ended December 31, 2017 is derived from audited consolidated financial statements of the successor company included elsewhere in this prospectus. The selected historical financial information for the one month ended March 31, 2017 and as of and for the three months ended March 31, 2018 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 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 are not comparable to our 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 financial statements of our predecessor and accompanying notes included elsewhere in this prospectus.

	Berry Corp. (Successor)			Berry LLC (Predecessor)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(unaudited)	(audited)	(unaudited)	(audited)	
			($ in thousands)		
Statements of Operations Data:					
Oil, natural gas and NGL sales	$ 125,624	$ 357,928	$ 33,678	$ 74,120	$ 392,345
Electricity sales	5,453	21,972	891	3,655	23,204
(Losses) gains on oil and natural gas derivatives	(34,644)	(66,900)	24,123	12,886	(15,781)
Marketing revenues	785	2,694	281	633	3,653
Other revenues	66	3,975	682	1,424	7,570
Lease operating expenses	44,303	149,599	13,064	28,238	185,056
Electricity generation expenses	4,590	14,894	1,148	3,197	17,133
Transportation expenses	2,978	19,238	3,655	6,194	41,619
Marketing expenses	580	2,320	270	653	3,100
General and administrative expenses(1)	11,985	56,009	9,543	7,964	79,236
Depreciation, depletion and amortization	18,429	68,478	7,022	28,149	178,223
Impairment of long-lived assets	—	—	—	—	1,030,588
Taxes, other than income taxes	8,256	34,211	3,081	5,212	25,113
(Gains) losses on sale of assets and other, net	—	(22,930)	—	(183)	(109)
Interest expense	7,796	18,454	1,715	8,245	61,268
Other (income) expense, net	(27)	(4,071)	—	63	182
Reorganization items, net (income) expense	(8,955)	1,732	1,306	507,720	72,662
Income tax (benefit) expense	939	2,803	7,474	230	116
Net (loss) income	6,410	(21,068)	11,377	(502,964)	(1,283,196)
Dividends on Series A Preferred Stock	(5,650)	(18,248)	(1,792)	n/a	n/a
Net income (loss) available to common stockholders	760	(39,316)	9,585	n/a	n/a
Net income (loss) per share of common stock					
Basic	$ 0.02	$ (0.98)	$ 0.24	n/a	n/a
Diluted	$ 0.02	$ (0.98)	$ 0.15	n/a	n/a
Weighted average common stock outstanding					
Basic	40,023	40,000	40,000	n/a	n/a
Diluted(2)	40,248	40,000	75,845	n/a	n/a

	Berry Corp. (Successor)			Berry LLC (Predecessor)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(unaudited)	(audited)	(unaudited)	(audited)	
			($ in thousands)		
Cash Flow Data:					
Net cash provided by (Used in)					
Operating activities	$ 27,592	$ 107,399	$ 24,234	$ 22,431	$ 13,197
Capital expenditures	(19,876)	(65,479)	(7,700)	(3,158)	(34,796)
Acquisitions, sales of properties and other investing activities	—	(15,046)	—	25	194
Balance Sheet Data:					
(at period end)					
Total assets	$ 1,562,100	$ 1,546,402		$ 1,561,038	$ 2,652,050
Current portion of long-term debt	—	—		—	891,259
Long-term debt, net	391,123	379,000		400,000	—
Series A Preferred Stock	335,000	335,000		335,000	—
Stockholders' and/or member's equity	861,112	859,310		878,527	502,963
Other Financial Data:					
Adjusted EBITDA(3)	$ 44,503	$ 149,613	$ 13,496	$ 28,845	$ 89,646
Adjusted General and Administrative Expenses(4)	8,919	23,865	1,947	7,964	79,236

(1) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of $3.1 million for the three months ended March 31, 2018, $32.1 million for the ten months ended December 31, 2017 and $7.6 million for the one month ended March 31, 2017.

(2) The Series A Preferred Stock is convertible into common stock but is not a participating security, therefore, we calculated diluted earnings per share using the "if-converted' method where the preferred dividends are added back to the numerator and the Series A Preferred Stock is assumed to be converted at the beginning of the period. No incremental shares of Series A Preferred Stock were included in the diluted earnings per share calculation for the three months ended March 31, 2018, as their effect was antidilutive under the "if-converted" method. In connection with this offering, all outstanding shares of Series A Preferred Stock will be automatically converted into shares of common stock and the right to receive cash. Please see "Prospectus Summary—Recent Developments—Preferred Stock Conversion."

(3) 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 see "Prospectus Summary—Summary Historical and Pro Forma Financial Information—Non-GAAP Financial Measures."

(4) 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 see "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, the Hugoton Disposition, the Preferred Stock Conversion and this offering including the application of net proceeds from this offering. Prior to the Effective Date, Berry Corp. had not conducted any business operations. Accordingly, the 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 three months ended March 31, 2018 and the year ended December 31, 2017. The unaudited pro forma condensed consolidated balance sheet is presented as of March 31,2018. This unaudited pro forma condensed consolidated financial information should be read in conjunction with Berry Corp.'s historical consolidated financial statements as of and for three months ended March 31, 2018 and for the ten months ended December 31, 2017 and with Berry LLC's historical financial statements for the two months ended February 28, 2017 included in this prospectus.

The unaudited pro forma condensed consolidated statements of operations give effect to (1) the Plan and fresh-start accounting, (2) the Hugoton Disposition and (3) the Preferred Stock Conversion and this offering, including the application of net proceeds from this offering, as if each had been completed as of January 1, 2017. 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 balance sheet gives effect to the Preferred Stock Conversion and this offering, including the application of net proceeds from this offering as if each had been completed on March 31, 2018.

The unaudited pro forma condensed consolidated financial statement is for informational and illustrative purposes only and is not necessarily indicative of the financial results that would have been had the events and transactions occurred on the dates assumed, nor is such financial statement necessarily indicative of the results of operations in future periods. The unaudited pro forma condensed consolidated financial statement does 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, fresh-start accounting, the Hugoton Disposition, the Preferred Stock Conversion, this offering and the application of net proceeds from this offering (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 U.S. Bankruptcy Code (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 (the "Confirmation Order").

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 and Fresh-Start Accounting

On the Effective Date, Berry LLC 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, dated February 28, 2017, between Linn Acquisition Company, LLC and Berry Corp. (the "Assignment Agreement"). Under the Assignment Agreement, Berry LLC became a wholly owned operating subsidiary of Berry Corp.
- 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 a 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 of our consolidated financial statements.
- The holders of Berry LLC'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 (i) either 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 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 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. 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. The settlement agreement provided Berry LLC with a $25 million general unsecured claim against LINN Energy, which Berry LLC has fully reserved.

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 determined a value to be assigned to the equity of the emerging entity as of the date of adoption of fresh-start accounting. 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. 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. 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, 2017. Preparation of an actual valuation with assumptions and economic data as of January 1, 2017 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.

Preferred Stock Conversion and Offering

In connection with this offering, we will amend the Series A Certificate of Designation to provide for the automatic conversion of all outstanding shares of Series A Preferred Stock. Pursuant to the amendment, each outstanding share of Series A Preferred Stock will be automatically converted into (i) 1.05 shares of common stock and (ii) the right to receive $1.75, minus the amount of any cash dividend paid by the Company on such share of Series A Preferred Stock in respect of any period commencing on or after April 1, 2018.

This offering is the initial public offering of approximately million shares of the Company's common stock and the use of proceeds therefrom as described in "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 common stock offered by us after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We will use a portion of the proceeds from this offering to fund the cash payable to holders of Series A Preferred Stock in connection with the Preferred Stock Conversion and to repay borrowings outstanding under the RBL Facility.

BERRY PETROLEUM CORPORATION

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
FOR THE THREE MONTHS ENDED MARCH 31, 2018
($ in thousands)

	Berry Corp. (Successor) March 31, 2018	Preferred Stock Conversion and Offering		Berry Corp. (Successor) Pro Forma
ASSETS				
Current assets:				
Cash and cash equivalents	$ 67,090	$	(a)	$
			(b)	
Accounts receivable, net	53,559			
Restricted cash	21,549			
Other current assets	13,221			
Total current assets	155,419			
Noncurrent assets:				
Oil and natural gas properties (successful efforts method)	1,353,036			
Less accumulated depletion and amortization	(70,086)			
	1,282,950			
Other property and equipment	110,028			
Less accumulated depreciation	(7,010)			
	103,018			
Other noncurrent assets	20,713			
Total assets	$ 1,562,100	$		
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable and accrued expenses	$ 92,081	$		$
Derivative instruments	64,092			
Liabilities subject to compromise	21,549			
Total current liabilities	177,722			
Noncurrent liabilities:				
Long-term debt	391,123			
Derivative instruments	27,984			
Deferred income taxes	2,827			
Asset retirement obligation	95,364			
Other noncurrent liabilities	5,968			
	523,266			
Equity:				
Successor Series A convertible preferred stock ($.001 par value, 250,000,000 shares authorized and 35,845,001 shares issued at March 31, 2018)	335,000		(b)	
Successor common stock ($.001 par value, 750,000,000 shares authorized and 32,995,233 shares issued at March 31, 2018)	33		(a) (b)	
Additional paid-in-capital	540,737		(a) (b)	
Accumulated deficit	(14,658)			
Total equity	861,112			
Total liabilities and equity	$ 1,562,100	$		$

BERRY PETROLEUM CORPORATION

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THREE MONTHS ENDED MARCH 31, 2018
($ in thousands)

	Berry Corp. (Successor) Three Months Ended March 31, 2018	Preferred Stock Conversion and Offering		Berry Corp. (Successor) Pro Forma
Revenues and other:				
Oil, natural gas and NGL sales	$ 125,624	$		$
Electricity sales	5,453			
Gains (losses) on oil and natural gas derivatives	(34,644)			
Marketing revenues	785			
Other revenues	66			
	97,284			
Expenses:				
Lease operating expenses	44,303			
Electricity generation expenses	4,590			
Transportation expenses	2,978			
Marketing expenses	580			
General and administrative expenses	11,985			
Depreciation, depletion and amortization	18,429			
Taxes, other than income taxes	8,256			
Gains on sale of assets and other, net	—			
	91,121			
Other income and (expenses):				
Interest expense, net of amounts capitalized	(7,796)		(k)	
Other, net	27			
	(7,769)			
Reorganization items, net	8,955			
(Loss) income before income taxes	7,349			
Income tax expense (benefit)	939			
Net income (loss)	6,410			
Dividends on Series A Preferred Stock	(5,650)		(l)	
Net income (loss) available to common stockholders	$ 760	$		$
Net income (loss) per share of common stock:				
Basic	$ 0.02	$	(j), (l)	$
Diluted	$ 0.02		(j), (l)	
Weighted average common shares outstanding:				
Basic			(j), (l)	
Diluted			(j), (l)	

BERRY PETROLEUM CORPORATION

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR YEAR ENDED DECEMBER 31, 2017
($ in thousands)

	Berry Corp. (Successor) Ten Months Ended December 31, 2017	Berry LLC (Predecessor) Two Months Ended February 28, 2017	Plan of Reorganization and Fresh Start Accounting Adjustments	Hugoton Disposition Adjustments	Preferred Stock Conversion and Offering	Berry Corp. (Successor) Pro Forma
Revenues and other:						
Oil, natural gas and NGL sales	$ 357,928	$ 74,120	$ —	$ (37,842)(f)		$
Electricity sales	21,972	3,655	—	—		
Gains (losses) on oil and natural gas derivatives	(66,900)	12,886	—	—		
Marketing revenues	2,694	633	—	—		
Other revenues	3,975	1,424	—	(5,265)(f)		
	319,669	92,718	—	(43,107)		
Expenses:						
Lease operating expenses	149,599	28,238	—	(6,129)(g)		
Electricity generation expenses	14,894	3,197	—	—		
Transportation expenses	19,238	6,194	—	(10,007)(g)		
Marketing expenses	2,320	653	—	—		
General and administrative expenses	56,009	7,964	—	(1,292)(g)		
Depreciation, depletion and amortization	68,478	28,149	(14,105)(a)	(6,685)(h)		
Taxes, other than income taxes	34,211	5,212	—	(4,868)(g)		
Gains on sale of assets and other, net	(22,930)	(183)	—	22,930(h)		
	321,819	79,424	(14,105)	(6,050)		
Other income and (expenses):						
Interest expense, net of amounts capitalized	(18,454)	(8,245)	4,930(b)	—	(k)	
Other, net	4,071	(63)	—	—		
	(14,383)	(8,308)	4,930	—		
Reorganization items, net	(1,732)	(507,720)	507,720(c)	—		
(Loss) income before income taxes	(18,265)	(502,734)	526,755	(37,056)		
Income tax expense (benefit)	2,803	230	(3,238)	4,994		
Net income (loss)	(21,068)	(502,964)	529,993	(42,050)		
Undeclared preferred stock dividend	(18,248)	n/a	(3,585)(e)	—	(l)	
Net income (loss) available to common stockholders	$ (39,316)	(502,964)	$ 526,408	$ (42,050)		$
Net income (loss) per share of common stock:						
Basic	$ (0.98)	n/a			(j)(l)	$
Diluted	$ (0.98)	n/a			(j)(l)	
Weighted average common shares outstanding:						
Basic					(j)(l)	
Diluted					(j)(l)	

NOTES TO UNAUDITED PRO FORMA CONDENSED 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, 2017.

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

Predecessor represents the historical statements of operations of Berry LLC for the two months ended February 28, 2017.

Successor represents the historical consolidated statements of operations of Berry Corp. for the ten months ended December 31, 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 Balance Sheet Adjustments

(a) Reflects the issuance of common stock in the offering and $ of net proceeds from the offering.

(b) Reflects the conversion of each outstanding share of Series A Preferred Stock into common stock and the right to receive a cash payment and the payment of the cash portion with net proceeds from the offering. For further discussion of the application of the net proceeds from the offering, please read "Use of Proceeds."

3. Pro Forma Statement of Operations Adjustments

Plan of Reorganization and Fresh-Start Accounting Adjustments

The adjustments included in the unaudited pro forma condensed 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 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.

BERRY PETROLEUM CORPORATION

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

(b) 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 accruing at a rate of 3.75% per annum on the amount subject to draw 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

(c) 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	$ (421,774)
Fresh-start valuation adjustments	920,699
Legal and other professional advisory fees	19,481
Other	(10,686)
Pro forma adjustment to eliminate reorganization items for the two months ended February 28, 2017	$ 507,720

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

(d) 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 two-month period ended February 28, 2017, any tax benefit that would potentially be realizable as a result of the new tax status and losses incurred during the year has 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 year ended December 31, 2017, the effective tax rate used to calculate income tax expense was (15.3)%. The effective tax rate differed from the federal statutory rate of 35% due to the impact of state taxes, the change in the valuation allowance and the tax reform rate change.

(e) Reflects the undeclared and accreted dividends on the Series A Preferred Stock assuming that we emerged from bankruptcy and the Series A Preferred Stock was issued on January 1, 2017 rather than the Effective Date.

BERRY PETROLEUM CORPORATION

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION (Continued)

Hugoton Disposition Adjustments

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

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

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

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

Preferred Stock Conversion and Offering Adjustments

(j) Reflects basic and diluted income per common share giving effect to the issuance of shares of common stock in the offering.

(k) Reflects the use of a portion of the net proceeds of the offering to repay $ million of borrowings under the RBL Facility. For further discussion on the application of the net proceeds from the offering, please read “Use of Proceeds.”

(l) Reflects the conversion of each outstanding share of Series A Preferred Stock into common stock and the right to receive a cash payment and the payment of the cash portion with net proceeds from the offering. For further discussion of the application of the net proceeds from the offering, please read “Use of Proceeds.”

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. 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, our predecessor company, and following the Effective Date, we are referring to Berry Corp. and its subsidiary, Berry LLC, together, the successor company, as applicable.

Our Company

We are a California-based independent upstream energy company engaged primarily in the development and production of conventional oil reserves located in the western United States. Our long-lived, predictable and high margin asset base is uniquely positioned to support our objectives of generating top-tier corporate-level returns and positive free cash flow through commodity price cycles. We believe that executing our strategy across our low-declining production base and extensive inventory of identified drilling locations will result in long-term, capital efficient production growth as well as the ability to return excess free cash flow to stockholders.

We target onshore, low-cost, low-risk, oil-rich reservoirs in the San Joaquin basin of California and the Uinta basin of Utah, and, to a lesser extent, the low geologic risk natural gas resource play in the Piceance basin in Colorado. In the aggregate, the Company's assets are characterized by:

- high oil content, which makes up approximately 81% of our production;
- favorable Brent-influenced crude oil pricing dynamics;
- long-lived reserves with low and predictable production decline rates;
- stable and predictable development and production cost structures;
- a large inventory of low-risk identified development drilling opportunities with attractive full-cycle economics; and
- potential in-basin organic and strategic opportunities to expand our existing inventory with new locations of substantially similar geology and economics.

California is and has been one of the most productive oil and natural gas regions in the world. Our asset base is concentrated in the oil-rich San Joaquin basin in California, which has more than 100 years of production history and substantial remaining oil in place. As a result of these attributes, we have a strong understanding of many of the basin's geologic and reservoir characteristics, leading to predictable, repeatable, low-risk development opportunities.

In California, we focus on conventional, shallow reservoirs, the drilling and completion of which are relatively low-cost in contrast to modern unconventional resource plays. Our decades-old proven completion techniques in these reservoirs include steamflood and low-volume fracture stimulation. For example, we estimate the cost for PUD wells drilled and completed in California will average less than $450,000 per well. In contrast, we estimate the cost of PUD wells drilled and completed in the Piceance basin will average $1.8 million per well. Using SEC Pricing as of December 31, 2017, there were approximately 80 gross PUD locations associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude these Piceance locations.

We also own assets in the Uinta basin in Utah, a stacked, multi-bench, light-oil-prone play with significant undeveloped resources where we have high operational control and additional behind pipe potential and in the East Texas basin, an extensive over-pressured natural gas cell, as well as in the Piceance basin in Colorado, a prolific low geologic risk natural gas play where we produce from a conventional, tight sandstone reservoir using proven slick water fracture stimulation techniques to increase recoveries.

We are led by an executive leadership team with over 100 years of combined energy industry experience and an average of over 25 years in the sector. Our management will leverage their collective experience, which spans domestic and international basins as well as a variety of reservoir recovery types, to enhance existing production, improve drilling and completion techniques, control costs and maximize the ultimate recovery of hydrocarbons from our assets with the ultimate objective of increasing stockholder value.

Using SEC Pricing as of December 31, 2017, we had estimated total proved reserves of 141,384 MBoe. For the three months ended March 31, 2018, we had average production of approximately 26.2 MBoe/d, of which approximately 81% was oil. In California, our average production for the three months ended March 31, 2018 was 18.8 MBoe/d, of which approximately 100% was oil.

Chapter 11 Bankruptcy and Our Emergence

In 2013, the Linn Entities acquired our predecessor company in exchange for LinnCo shares and the assumption of 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 Effective Date, Berry LLC 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 the Assignment Agreement. Under the Assignment Agreement, Berry LLC became a wholly-owned operating subsidiary of Berry Corp.
- The holders of claims under 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 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 of our consolidated financial statements.

- The holders of Berry LLC's 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 the Cash Distribution Pool and (ii) specified rights to participate 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 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. 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. The settlement agreement provided Berry LLC with a $25 million general unsecured claim against LINN Energy which Berry LLC has fully reserved.

Preferred Stock

In connection with this offering, we will amend the Series A Certificate of Designation to provide for the automatic conversion of all outstanding shares of Series A Preferred Stock. Pursuant to the amendment, each outstanding share of Series A Preferred Stock will be automatically converted into (i) 1.05 shares of common stock and (ii) the right to receive $1.75, minus the amount of any cash dividend paid by the Company on such share of Series A Preferred Stock in respect of any period commencing on or after April 1, 2018. We will use a portion of the proceeds from this offering to fund the cash payable to holders of Series A Preferred Stock in connection with the Preferred Stock Conversion. See "Use of Proceeds."

How We Evaluate Operations

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

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 or paid for scheduled derivative settlements, impairments, stock compensation expense and other unusual out-of-period and infrequent items, including restructuring and reorganization costs.

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, transportation and marketing activities. The electricity, transportation 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 expense 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, we do not include these taxes 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.

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.

Levered free cash flow

Levered free cash flow reflects our financial flexibility; and we use it 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, restructuring 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 our 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 is not 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 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. We have also completed the following financing activities post-emergence.

The RBL Facility

On July 31, 2017, Berry LLC, as borrower, entered into the RBL Facility. The RBL Facility provides for a revolving loan with up to $1.5 billion of commitments, subject to a reserve borrowing base, and provided an initial commitment of $500 million. In connection with the issuance of the 2026 Notes, the RBL Facility borrowing base was set at $400 million, which incorporated a $100 million reduction, or 25%, of the face value of the 2026 Notes. In March 2018, we completed a borrowing base redetermination that reaffirmed our borrowing base at $400 million with an elected commitment feature that allows us to increase the borrowing base to $575 million with lender approval. The RBL Facility also provides a letter of credit sub-facility 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 May 31, 2018, we had $62 million in borrowings and approximately $7 million in letters of credit outstanding under the RBL Facility. As of December 31, 2017, prior to our sale of the 2026 Notes, we had $379 million in borrowings and $21 million in letters of credit outstanding under the RBL Facility. For additional information, please see "—Liquidity and Capital Resources—Debt—The RBL Facility."

Senior Unsecured Notes Offering

In February 2018, we closed the offering of $400 million in aggregate principal amount of our 2026 Notes, which resulted in net proceeds to us of approximately $391 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the issuance of the 2026 Notes to repay borrowings under the RBL Facility and used the remainder for general corporate purposes.

Capital Expenditures and Capital Budget

For the years ended December 31, 2017 and 2016, our capital expenditures were approximately $73 million and $26 million, respectively, on an accrual basis excluding acquisitions. Beginning in 2015 and carrying forward until the commencement of the Chapter 11 Proceeding in May 2016, LINN Energy and our predecessor company undertook a number of actions, including minimizing capital expenditures and further reducing recurring operating expenses in an attempt to decrease its and our predecessor company's level of indebtedness and maintain its liquidity at levels sufficient to meet their respective commitments. Despite 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.

Following Berry LLC's emergence from bankruptcy and separation from the Linn Entities, we increased our pace of development and have continued to do so in 2018. Our 2018 anticipated capital expenditure budget of approximately $140 to $160 million represents an increase of approximately 107% over our 2017 capital expenditures, including the successor and predecessor periods, of approximately $73 million. Our 2019 anticipated capital expenditure budget is approximately $210 to $230 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 and 2019 capital programs exclusively with our levered free cash flow. We expect to:

- employ:
  - three drilling rigs in California for the remainder of 2018;
  - one additional drilling rig assigned to drilling opportunities in Utah in the second half of 2018; and
  - an average of four rigs in California in 2019; and
- drill approximately 180 to 190 gross development wells in 2018, of which we expect at least 175 will be in California, and 430 to 490 gross development wells in 2019, all of which we expect will be in California.

The table below sets forth by basin the allocation of our actual 2017 capital expenditures and the expected allocation of our 2018 capital expenditure budget assuming total capital expenditures of $140 - $160 million.

	Capital Expenditure by Area	
	2018 Budget	2017 Actual
	(in millions)	
California	$ 126-142	$ 71
Uinta	8-10	1
Piceance	1-2	1
East Texas	—	—
Corporate	5-6	—
Total	$ 140-160	$ 73

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.

Chevron North Midway-Sunset Acquisition

In April 2018, we completed the Chevron North Midway-Sunset Acquisition. We assumed a drilling commitment for the 214 acres of approximately $34.5 million to drill 115 wells, of which none have been drilled, on or before April 1, 2020, which has been extended to April 1, 2022, and would assume an additional 40 well drilling commitment if we exercise our option on the 490 acres. We paid no other consideration for the acquisition. Our drilling commitment will be tolled for a month for each consecutive 30-day period for which the posted price of WTI is less than $45 per barrel. Our 2018 anticipated capital expenditure budget does not currently include funding for drilling wells against the assumed drilling commitment, but we have designated funds for drilling appraisal wells to determine whether to exercise the option. This transaction is consistent with our business strategy to investigate areas beyond our known productive areas. See "Prospectus Summary—Our

Business Strategy—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."

Commodity Derivatives and Contracts

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 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 and puts.

Our open derivative positions as of March 31, 2018 were as follows:

	2018	2019	2020
Sold NYMEX WTI call options:			
Hedged volume (MBbls)	675	840	390
Weighted average price ($/Bbl)	$55.00	$57.32	$60.00
Oil positions:			
Fixed Price Swaps (ICE BRENT)			
Hedged volume (MBbls)	365	—	—
Weighted average price ($/Bbl)	$60.52	$ —	$ —
Fixed Price Swaps (NYMEX WTI)			
Hedged volume (MBbls)	3,630	4,197	—
Weighted average price ($/Bbl)	$52.04	$52.05	$ —
Oil basis differential positions:			
ICE Brent—NYMEX WTI basis swaps			
Hedged volumes (MBbls)	1,100	1,095	—
Weighted average price ($/Bbl)	$ 1.21	$ 1.17	$ —

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

	Berry Corp. (Successor)			Berry LLC (Predecessor)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Crude Oil (per Bbl):					
Realized price, before the effects of derivative settlements	$ 62.14	$ 48.05	$ 44.54	$ 46.94	$ 35.83
Effects of derivative settlements	$ (9.40)	$ 0.48	$ 1.92	$ 0.46	$ 1.05

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 WTI 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 WTI oil swaps and WTI oil sold call options for September 2017 through June 2020. In October 2017, Berry Corp. entered into commodity derivatives contracts consisting of Brent oil swaps for January 2018 through June 2018. In January 2018, Berry Corp. entered into commodity derivative contracts consisting of Brent oil swaps for July 2018 through December 2018.

In May 2018, Berry elected to terminate outstanding commodity derivative contracts for all WTI oil swaps and certain WTI/Brent basis swaps for July 2018 through December 2019 and all WTI oil swaps and WTI oil sold call options for July 2018 through June 2020. Termination costs totaled approximately $127 million and were calculated in accordance with a bilateral agreement on the cost of elective termination included in these derivative contracts; the present value of the contracts using the forward price curve as of the date termination was elected, May 24, 2018 and May 25, 2018. Payment was made to the counterparties two business day later. No penalties were charged as a result of the elective termination. Concurrently, Berry Corp. entered into commodity derivative contracts consisting of Brent oil swaps for July 2018 through March 2019 and Brent oil purchased put options for January 2019 through March 2020. These Brent oil swaps hedge 1.8 MMBbls in 2018 and 0.9 MMBbls in 2019 at a weighted average price of $75.66. These Brent oil purchased put options provide a weighted average price floor of $65.00 for 2.8 MMBbls in 2019 and 0.5 MMBbls in 2020. We effected these transactions to move from a WTI based position to a Brent based position as well as bring our hedged pricing more in line with current market pricing.

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 May 31, 2018, we have hedged approximately 2.5 MMBbls for 2018, 3.7 MMBbls for 2019 and 0.5 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 net operating loss carryforwards for the periods prior to February 28, 2017.

On December 22, 2017, the Tax Act was enacted. The Tax Act contains significant changes to U.S. income tax and related laws, including a reduction in the corporate income tax rate, immediate deductions for the cost of acquired qualified property (subject to certain phase-out provisions), and a limitation on the interest expense deduction. We evaluated the provisions of the Tax Act, most of which became effective January 1, 2018, and determined the net impact on our financial statements was to reflect a valuation allowance in excess of net deferred tax assets of $1.9 million. Over the long term, the Tax Act is expected to be favorable to us and should result in the deferral of cash tax payments as compared to when such payments would otherwise have been due on our taxable income.

Business Environment and Market Conditions

The oil and gas industry is heavily influenced by commodity prices. Since the latter half of 2014, commodity prices have declined and remained at relatively low levels through the middle of 2017 but have

generally risen since then. For example, the Brent crude oil futures contract prices declined from a high of over $100.16 per Bbl on June 24, 2014 to a low of $40.67 per Bbl on January 20, 2016. The Henry Hub spot price for natural gas has also declined since 2014. While oil 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 and directly affect our results."

The following table presents the average ICE (Brent) oil, NYMEX (WTI) oil and NYMEX Henry Hub natural gas prices for the three months ended March 31, 2018, the years ended December 31, 2017 and 2016:

	Three Months Ended March 31,	Year Ended December 31,	
	2018	2017	2016
ICE (Brent) oil ($/Bbl)	$ 67.16	$54.82	$45.00
NYMEX (WTI) oil ($/Bbl)	$ 62.87	$50.95	$43.32
NYMEX Henry Hub natural gas ($/MMBtu)	$ 3.00	$ 3.11	$ 2.46

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 technical limitations, 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. Recently, there is a closer correlation of actual 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 substantially more natural gas for our steamfloods and power generation than we produce and sell. 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)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Production Data:					
Oil (MBbl/d)	21.1	20.6	18.9	19.5	23.1
Natural gas (MMcf/d)	27.6	49.4	71.7	71.7	78.1
NGLs (MBbl/d)	0.5	2.0	3.6	5.2	3.6
Average daily combined production (MBoe/d)(1)	26.2	30.9	34.5	36.6	39.7
Oil (MBbl)	1,897	6,318	586	1,153	8,463
Natural gas (MMcf)	2,481	15,119	2,221	4,232	28,577
NGLs (MBbl)	45	605	112	304	1,307
Total combined production (MBoe)(1)	2,356	9,443	1,068	2,162	14,533
Weighted average realized prices:					
Oil with hedges (per Bbl)	$ 52.74	$ 48.53	$ 46.46	$ 47.40	$ 36.88
Oil without hedges (per Bbl)	$ 62.14	$ 48.05	$ 44.54	$ 46.94	$ 35.83
Natural gas (per Mcf)	$ 2.64	$ 2.70	$ 2.45	$ 3.42	$ 2.31
NGLs (per Bbl)	$ 25.56	$ 22.23	$ 19.03	$ 18.20	$ 17.67
Average Benchmark prices:					
ICE (Brent) oil ($/Bbl)	$ 67.16	$ 54.65	$ 52.54	$ 55.72	$ 45.00
NYMEX (WTI) oil ($/Bbl)	$ 62.87	$ 50.53	$ 49.67	$ 53.04	$ 43.32
NYMEX Henry Hub natural gas ($/Mcf)	$ 3.00	$ 3.00	$ 2.63	$ 3.66	$ 2.46
Average costs per Boe(2):					
Lease operating expenses	$ 18.80	$ 15.84	$ 12.23	$ 13.06	$ 12.73
Electricity generation expenses	$ 1.94	$ 1.58	$ 1.07	$ 1.48	$ 1.18
Electricity sales	$ (2.31)	$ (2.33)	$ (0.83)	$ (1.69)	$ (1.60)
Transportation expenses	$ 1.26	$ 2.04	$ 3.42	$ 2.86	$ 2.86
Marketing expenses	$ 0.25	$ 0.25	$ 0.25	$ 0.30	$ 0.21
Marketing revenues	$ (0.33)	$ (0.29)	$ (0.26)	$ (0.29)	$ (0.25)
Total operating expenses	$ 19.61	$ 17.09	$ 15.88	$ 15.72	$ 15.13
Taxes, other than income taxes	$ 3.50	$ 3.62	$ 2.88	$ 2.41	$ 1.73
General and Administrative Expenses(3)	$ 5.09	$ 5.93	$ 8.94	$ 3.68	$ 5.45
Depreciation, depletion and amortization	$ 7.82	$ 7.25	$ 6.57	$ 13.02	$ 12.26

(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 year ended December 31, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $54.82 per Bbl and $3.11 per Mcf, respectively, resulting in an oil-to-gas ratio of over 17 to 1.

(2) We report electricity, transportation 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. Transportation sales relate to water and other liquids that we transport on our systems on behalf of third parties and have not been significant to-date.

(3) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of approximately $1.30/Boe for the three months ended March 31, 2018, $3.40/Boe for the ten months ended December 31, 2017 and $7.11/Boe for the one month ended March 31, 2017.

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

	Berry Corp. (Successor)			Berry LLC (Predecessor)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Average daily production (MBoe/d):					
California(1)	18.8	18.0	16.3	17.0	20.2
Hugoton basin(2)	—	4.5	9.9	10.8	9.5
Uinta basin	5.0	5.3	5.0	5.4	5.8
Piceance basin	1.6	2.0	2.3	2.3	2.9
East Texas	0.8	1.1	1.0	1.1	1.3
	26.2	30.9	34.5	36.6	39.7

(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 decreased for the three months ended March 31, 2018 by 9.7 MBoe/d, or 27%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to the decreased natural gas and NGL volumes from the Hugoton Disposition in July 2017, partially offset by the additional oil volumes from the Hill Acquisition in July 2017, and to a lesser degree due to the delayed impact of increasing capital spending after our emergence from bankruptcy following the reduced development capital spending in 2016 and early 2017.

Average daily production volumes decreased in 2017, including the successor ten months ended December 31, 2017 and the predecessor two months ended February 28, 2017, by 7.9 MBoe/d, or 20%, when compared to the year ended December 31, 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.

We report electricity, transportation 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. Transportation sales relate to water and other liquids that we transport on our systems on behalf of third parties, and have not been significant to date.

Results of Operations

Three Months Ended March 31, 2018, One Month Ended March 31, 2017 and Two Months Ended February 28, 2017

Our results of operations for the three months ended March 31, 2017 are reflected in the tables and narrative discussion that follows in two distinct periods, the one month ended March 31, 2017 and the two months ended February 28, 2017, as a result of our emergence from bankruptcy on February 28, 2017. References in these results of operations to "the change" and "the percentage change" compare the three months ended March 31, 2018 results to the combined results for the comparison period in 2017 in order to provide comparable periods. While this combined presentation is a non-GAAP presentation for which there is no comparable GAAP measure, management believes that providing this financial information is the most relevant and useful method for comparing the periods presented.

	Berry Corp. (Successor)		Berry LLC (Predecessor)		
	(a) Three Months Ended March 31, 2018	(b) One Month Ended March 31, 2017	(c) Two Months Ended February 28, 2017	(a)-((b) + (c)) Change	% Change
	(unaudited)		(audited)		
	($ in thousands)				
Revenues and other:					
Oil, natural gas and NGL sales	$125,624	$ 33,678	$ 74,120	17,826	17%
Electricity sales	5,453	891	3,655	907	20%
Gains (losses) on oil and natural gas derivatives	(34,644)	24,123	12,886	(71,653)	(194)%
Marketing revenues	785	281	633	(129)	(14)%
Other revenues	66	682	1,424	(2,040)	(97)%
	97,284	59,655	92,718	(55,089)	(36)%
Expenses:					
Lease operating expenses	44,303	13,064	28,238	3,001	7%
Electricity generation expenses	4,590	1,148	3,197	245	6%
Transportation expenses	2,978	3,655	6,194	(6,871)	(70)%
Marketing expenses	580	270	653	(343)	(37)%
General and administrative expenses(1)	11,985	9,543	7,964	(5,522)	(32)%
Depreciation, depletion and amortization	18,429	7,022	28,149	(16,742)	(48)%
Taxes, other than income taxes	8,256	3,081	5,212	(37)	—
Gains on sale of assets and other, net	—	—	(183)	183	100%
	91,121	37,783	79,424	(26,086)	(22)%
Other income and (expenses)					
Interest expense	(7,796)	(1,715)	(8,245)	2,164	22%
Other income, net	27	—	(63)	90	143%
Reorganization items, net	8,955	(1,306)	(507,720)	517,981	102%
Income (loss) before income taxes	7,349	18,851	(502,734)	491,232	102%
Income tax expense (benefit)	939	7,474	230	(6,765)	(88)%
Net income (loss)	$ 6,410	$ 11,377	$ (502,964)	497,997	101%
Dividends on Series A Preferred Stock	(5,650)	(1,792)	—	(3,858)	(215)%
Net income (loss) available to common stockholders	$ 760	$ 9,585	$ (502,964)	494,139	100%

(1) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of $3.1 million for the three months ended March 31, 2018 and $7.6 million for the one month ended March 31, 2017.

Revenues and Other

Oil, natural gas and NGL sales increased for the three months ended March 31, 2018 by $18 million, or 17%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to improved oil prices and a product mix more heavily weighted towards oil than natural gas as a result of the Hill Acquisition and Hugoton Disposition, partially offset by decreased oil and natural gas production.

Electricity sales increased for the three months ended March 31, 2018 by $0.9 million, or 20%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to higher volumes sold externally as a result of lower downtime in the three months ended March 31, 2018 than the three months ended March 31, 2017, including the predecessor period.

The losses on oil and natural gas derivatives increased for the three months ended March 31, 2018 by $72 million, or 194%, when compared to the gains in the same period in 2017, including the successor and predecessor periods, primarily due to an increase in hedging activity, a portion of which was required by the RBL Facility at closing in July 2017, and improved commodity prices relative to the fixed prices of our derivative contracts.

Marketing revenues were comparable for the three months ended March 31, 2018 when compared to the same period in 2017, including the successor and predecessor periods.

Other revenues decreased for the three months ended March 31, 2018 by $2 million, or 97%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to lost helium sales as a result of the Hugoton Disposition.

Expenses

We report sales of electricity, marketing and transportation activities (as applicable) separately in our financial statements as revenues in accordance with GAAP. However, these revenues are viewed and used internally in calculating operating expenses, which are 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 revenues and 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. For the quarter ended March 31, 2018, operating expenses were $19.61 per Boe. For the three months ended March 31, 2017, including the predecessor period, operating expenses were $15.90 per Boe.

Lease operating expenses increased for the three months ended March 31, 2018 by $3 million, or 7%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to increased activity in the three months ended March 31, 2018 consistent with our emergence from bankruptcy in February 2017. Further, lease operating expenses per Boe also increased to $18.80 per Boe for the three months ended March 31, 2018, from $12.90 per Boe for the three months ended March 31, 2017, including the predecessor period, primarily due to a decrease in total production. While production volumes decreased during the three months ended March 31, 2018, which adversely impacted costs per Boe, our oil, natural gas and NGLs revenues remained constant due to a product mix more heavily weighted towards oil, for which we realized higher prices, as a result of the Hugoton Disposition and Hill Acquisition.

Electricity generation expenses were comparable for the three months ended March 31, 2018 when compared to the same period in 2017, including the successor and predecessor periods.

Transportation expenses decreased for the three months ended March 31, 2018 by $7 million, or 70%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to the

Hugoton Disposition of natural gas properties, which required significant transportation expense because natural gas transportation is generally borne by the seller and oil transportation costs are borne by the buyer.

Marketing expenses were comparable for the three months ended March 31, 2018 when compared to the same period in 2017, including the successor and predecessor periods.

General and administrative expenses decreased for the three months ended March 31, 2018 by $5.5 million, or 32%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to the management change in conjunction with our emergence from bankruptcy. The reduction in absolute dollars spent and resulting decrease in production volumes resulted in higher general and administrative expenses of $5.22 per Boe for the three months ended March 31, 2018, compared to $4.97 per Boe for the three months ended March 31, 2017, including the predecessor period. For the three months ended March 31, 2018, general and administrative expenses included non-recurring restructuring and other costs of approximately $2 million and non-cash stock compensation costs of approximately $1 million.

Depreciation, depletion and amortization expenses decreased for the three months ended March 31, 2018 by $17 million, or 48%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to the fair market revaluation of our assets in fresh-start accounting resulting in a lower depreciable asset base, as well as decreased production volumes.

Taxes, Other Than Income Taxes

	Berry Corp. (Successor)		Berry LLC (Predecessor)		
	(a) Three Months Ended March 31, 2018	(b) One Month Ended March 31, 2017	(c) Two Months Ended February 28, 2017	(a)-((b)+(c)) change	% change
	(unaudited)		(audited)		
	($ in thousands)				
Severance taxes	$ 2,764	$ 1,145	$ 1,540	$ 79	3%
Ad valorem taxes	3,417	1,074	2,108	235	7%
Greenhouse gas allowances	2,075	862	1,564	(351)	(14)%
	$ 8,256	$ 3,081	$ 5,212	$ (37)	—

Taxes, other than income taxes were slightly lower for the three months ended March 31, 2018 when compared to the same period in 2017, including the successor and predecessor periods, primarily due to reduced rates for greenhouse gas allowances, partially offset by higher severance and ad valorem taxes.

Gains on Sale of Assets and Other, Net

Gains on sales of assets and other, net were comparable for the three months ended March 31, 2018 when compared to the same period in 2017, including the successor and predecessor periods.

Other Income and (Expenses)

	Berry Corp. (Successor)		Berry LLC (Predecessor)		
	(a) Three Months Ended March 31, 2018	(b) One Month Ended March 31, 2017	(c) Two Months Ended February 28, 2017	(a)-((b)+(c)) change	% change
	(unaudited)		(audited)		
	($ in thousands)				
Interest expense	$ (7,796)	$ (1,715)	$ (8,245)	$2,164	22%
Other income, net	27	—	(63)	90	143%
	$ (7,769)	$ (1,715)	$ (8,308)	$2,254	22%

Interest expense decreased for the three months ended March 31, 2018 by $2 million, or 22%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to our reduced debt resulting from the Chapter 11 proceedings. Other income, net, for the three months ended March 31, 2018, primarily consisted of interest income.

Income Tax Expense (Benefit)

On the Effective Date, upon consummation of the Plan, we became subject to federal and state income taxes as a C corporation. Prior to the consummation of the Plan, we were treated as a disregarded entity for federal and state income tax purposes as a limited liability company, 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, we did not directly pay federal and state income taxes and recognition was not given to federal and state income taxes for our operations prior to the Effective Date.

Income tax expense decreased for the three months ended March 31, 2018 by $6.8 million, or 88%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to reduced pre-tax income between the periods subject to income taxes as a C corporation and the changes resulting from the enactment of the Tax Act at the end of 2017.

Reorganization Items, Net

Reorganization items, net increased for the three months ended March 31, 2018 by $518 million, or 102%, when compared to the same period in 2017, including the successor and predecessor periods, as 2018 included income from the return of undistributed funds reserved for settlement of claims of general unsecured creditors. The key components of the 2017 amounts reflected the impact of the application of fresh-start accounting in conjunction with our emergence from bankruptcy during the two months ended February 28, 2017, partially offset by the gain on settlement of liabilities subject to compromise. Reorganization items represent costs and income directly associated with the Chapter 11 Proceeding since 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:

	Berry Corp. (Successor)		Berry LLC (Predecessor)		
	(a) Three Months Ended March 31, 2018	(b) One Month Ended March 31, 2017	(c) Two Months Ended February 28, 2017	(a)-((b)+(c)) change	% change
	(unaudited)		(audited)		
	($ in thousands)				
Return of Undistributed Funds from Cash Distribution Pool	$ 9,000	$ —	$ —	$ 9,000	—
Refund of pre-emergence prepaid costs	579	—	—	579	—
Gain on settlement of liabilities subject to compromise	—	—	421,774	(421,774)	(100)%
Legal and other professional advisory fees	(624)	(601)	(19,481)	19,458	97%
Fresh-start valuation adjustments	—	—	(920,699)	920,699	100%
Other	—	(705)	10,686	(9,981)	(100)%
	$ 8,955	$ (1,306)	$ (507,720)	$ 517,981	102%

Three Months Ended March 31, 2018 and Three Months Ended December 31, 2017

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

	Berry Corp. (Successor)			
	(a) Three Months Ended March 31, 2018	(b) Three Months Ended December 31, 2017	(a)-(b) Change	% Change
	(unaudited) ($ in thousands)			
Revenues and other:				
Oil, natural gas and NGL sales	$ 125,624	$ 120,603	5,021	4%
Electricity sales	5,453	6,455	(1,002)	(16)%
Gains (losses) on oil and natural gas derivatives	(34,644)	(72,542)	37,898	52%
Marketing revenues	785	793	(8)	(1)%
Other revenues	66	73	(7)	(10)%
	97,284	55,382	41,902	76%
Expenses:				
Lease operating expenses	44,303	44,586	(283)	(1)%
Electricity generation expenses	4,590	4,701	(111)	(2)%
Transportation expenses	2,978	593	2,385	402%
Marketing expenses	580	645	(65)	(10)%
General and administrative expenses	11,985	12,480	(495)	(4)%
Depreciation, depletion and amortization	18,429	20,086	(1,657)	(8)%
Taxes, other than income taxes	8,256	9,098	(842)	(9)%
Gains on sale of assets and other, net	—	(2,243)	2,243	100%
	91,121	89,946	1,175	1%
Other income and (expenses)				
Interest expense	(7,796)	(5,972)	(1,824)	(31)%
Other income, net	27	—	27	—
Reorganization items, net	8,955	(731)	9,686	1,325%
Income (loss) before income taxes	7,349	(41,267)	48,615	118%
Income tax expense (benefit)	939	(6,386)	7,325	115%
Net income (loss)	$ 6,410	$ (34,881)	41,290	118%
Dividends on Series A Preferred Stock	(5,650)	(5,567)	(83)	(1)%
Net income (loss) available to common stockholders	$ 760	$ (40,448)	$41,208	102%

Revenues and Other

Oil, natural gas and NGL sales increased for the three months ended March 31, 2018 by $5 million, or 4%, when compared to the three months ended December 31, 2017 primarily due to improved oil prices partially offset by decreased oil and natural gas production, as well as slightly lower gas prices.

Electricity sales decreased for the three months ended March 31, 2018 by $1 million, or 16%, when compared to the three months ended December 31, 2017 primarily due to lower prices and sales volumes.

The losses on oil and natural gas derivatives decreased for the three months ended March 31, 2018 by $38 million, or 52%, when compared to the three months ended December 31, 2017 primarily due to changes in forward commodity price curves on fewer derivative positions at the end of each respective period.

Marketing and other revenues were comparable for the three months ended March 31, 2018 when compared to the three months ended December 31, 2017.

Expenses

Lease operating expenses were comparable for the three months ended March 31, 2018 when compared to the three months ended December 31, 2017, which benefited from approximately $2 million of prior period year-end accrual estimate reductions. Lease operating expenses per Boe increased to $18.80 per Boe for the three months ended March 31, 2018, from $17.40 per Boe for the three months ended December 31, 2017, primarily due to the decreased production period over period.

Electricity generation expenses were comparable for the three months ended March 31, 2018 when compared to the three months ended December 31, 2017, reflecting lower production that was nearly offset by higher gas prices.

Transportation expenses increased for the three months ended March 31, 2018 by $2 million, or 402%, when compared to the three months ended December 31, 2017 because the three months ended December 31, 2017 benefited from approximately $2 million of prior period year-end accrual estimate reductions.

Marketing expenses were comparable for the three months ended March 31, 2018 when compared to the three months ended December 31, 2017.

General and administrative expenses decreased for the three months ended March 31, 2018 by $0.5 million, or 4%, when compared to the three months ended December 31, 2017 in terms of absolute dollars, primarily due to the reduced spending on non-recurring restructuring and other costs, slightly offset by increased headcount-related costs. This activity is consistent with our post-emergence efforts to build out our corporate structure while reducing restructuring costs. Lower production volumes for the three months ended March 31, 2018 resulted in an increase in general and administrative expenses per Boe to $5.09 from $4.87 for the three months ended December 31, 2017. For the three months ended March 31, 2018, general and administrative expenses included non-recurring restructuring and other costs of approximately $2 million and non-cash stock compensation costs of approximately $1 million compared to $2.9 million and $1 million, respectively, for the three months ended December 31, 2017.

Depreciation, depletion and amortization expenses decreased for the three months ended March 31, 2018 by $1.7 million, or 8%, when compared to the three months ended December 31, 2017 primarily due to the decreased production and slightly lower depreciation rates.

Taxes, Other Than Income Taxes

	Berry Corp. (Successor)			
	(a) Three Months Ended March 31, 2018	(b) Three Months Ended December 31, 2017	(a)-(b) Change	% change
	(unaudited) ($ in thousands)			
Severance taxes	$ 2,764	$ 2,240	$ 524	23%
Ad valorem taxes	3,417	2,198	1,219	55%
Greenhouse gas allowances	2,075	4,660	(2,585)	(55)%
	$ 8,256	$ 9,098	$ (842)	(9)%

Taxes, other than income taxes decreased for the three months ended March 31, 2018 by $0.8 million, or 9%, when compared to the three months ended December 31, 2017 primarily due to reduced rates for greenhouse gas allowances, partially offset by higher severance and ad valorem taxes.

Gains on Sale of Assets and Other, Net

Gains on sales of assets and other, net decreased for the three months ended March 31, 2018 by $2 million, or 100%, when compared to the three months ended December 31, 2017 primarily due to the final settlement of the Hugoton Disposition occurring in 2017.

Other Income and (Expenses)

	Berry Corp. (Successor)			
	(a) Three Months Ended March 31, 2018	(b) Three Months Ended December 31, 2017	(a)-(b) Change	% change
	(unaudited) ($ in thousands)			
Interest expense	$ (7,796)	$ (5,972)	$(1,824)	(31)%
Other income, net	27	—	27	—
	$ (7,769)	$ (5,972)	$(1,797)	(30)%

Interest expense increased for the three months ended March 31, 2018 by $1.8 million, or 31%, when compared to three months ended December 31, 2017 primarily due to higher interest rates on the 2026 Notes that were issued in February 2018 compared to the rates on the fourth quarter RBL Facility borrowings. Other income, net, for the three months ended March 31, 2018, primarily consisted of interest income.

Income Tax Expense (Benefit)

Income tax expense increased for the three months ended March 31, 2018 by $7.3 million, or 115%, when compared to the three months ended December 31, 2017 primarily due to recording pre-tax income in 2018 compared to a pre-tax loss in 2017.

Reorganization Items, Net

The following table summarizes the components of reorganization:

	Berry Corp. (Successor)			
	(a) Three Months Ended March 31, 2018	(b) Three Months Ended December 31, 2017	(a)-(b) Change	% change
	(unaudited) ($ in thousands)			
Return of Undistributed Funds from Cash Distribution Pool	$ 9,000	$ —	$9,000	—
Refund of pre-emergence prepaid costs	579	—	579	—
Legal and other professional advisory fees	(624)	(731)	107	15%
	$ 8,955	$ (731)	$9,686	1,325%

Reorganization items, net increased for the three months ended March 31, 2018 by $9.7 million, or 1,325%, when compared to the same period in 2017, including the successor and predecessor periods, primarily due to income from a return of $9 million from the funds reserved for the claims of the general unsecured creditors. Reorganization items represent costs and income directly associated with the Chapter 11 Proceeding since 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.

Ten Months Ended December 31, 2017, Two Months Ended February 28, 2017 and Year Ended December 31, 2016

Our results of operations for the year ended December 31, 2017 are reflected in the tables and narrative discussion that follows in two distinct periods, the two months ended February 27, 2017 and the ten months ended December 31, 2017, as a result of our emergence from bankruptcy on February 28, 2017. References in these results of operations to "the change" and "the percentage change" compare the year ended December 31, 2016 results to the combined results for the comparison period in 2017 in order to provide comparability of such information. While this combined presentation is a non-GAAP presentation for which there is no comparable GAAP measure, management believes that providing this financial information is the most relevant and useful method for comparing the periods presented.

	Berry Corp. (Successor)	Berry LLC (Predecessor)		((a)+(b))-(c)	
	(a) Ten Months Ended December 31, 2017	(b) Two Months Ended February 28, 2017	(c) Year Ended December 31, 2016	Change	% Change
		(audited) ($ in thousands)			
Revenues and other:					
Oil, natural gas and NGL sales	$ 357,928	$ 74,120	$ 392,345	39,703	10%
Electricity sales	21,972	3,655	23,204	2,423	10%
Gains (losses) on oil and natural gas derivatives	(66,900)	12,886	(15,781)	(38,233)	(242)%
Marketing revenues	2,694	633	3,653	(326)	(9)%
Other revenues	3,975	1,424	7,570	(2,171)	(29)%
	319,669	92,718	410,991	1,396	— %
Expenses:					
Lease operating expenses	149,599	28,238	185,056	(7,219)	(4)%
Electricity generation expenses	14,894	3,197	17,133	958	6%
Transportation expenses	19,238	6,194	41,619	(16,187)	(39)%
Marketing expenses	2,320	653	3,100	(127)	(4)%
General and administrative expenses	56,009	7,964	79,236	(15,263)	(19)%
Depreciation, depletion and amortization	68,478	28,149	178,223	(81,596)	(46)%
Impairment of long-lived assets	—	—	1,030,588	(1,030,588)	(100)%
Taxes, other than income taxes	34,211	5,212	25,113	14,310	57%
Gains on sale of assets and other, net	(22,930)	(183)	(109)	(23,004)	(21,105)%
	321,819	79,424	1,559,959	(1,158,716)	(74)%
Other income and (expenses)					
Interest expense	(18,454)	(8,245)	(61,268)	34,569	56%
Other income, net	4,071	(63)	(182)	4,190	2,302%
Reorganization items, net	(1,732)	(507,720)	(72,662)	(436,790)	(601)%
Loss before income taxes	(18,265)	(502,734)	(1,283,080)	762,081	59%
Income tax expense (benefit)	2,803	230	116	2,917	2,514%
Net loss	$ (21,068)	$ (502,964)	$(1,283,196)	759,164	59%
Dividends on Series A Preferred Stock	(18,248)	—	—	(18,248)	— %
Net income (loss) available to common stockholders	$ (39,316)	—	—	$ (39,316)	— %

Revenues and Other

Oil, natural gas and NGL sales increased in 2017, including the successor and predecessor periods, by $40 million, or 10%, when compared to the year ended December 31, 2016 due to an increase in realized oil and NGL prices and an increased mix of oil production compared to gas production as a result of the Hill Acquisition and Hugoton Disposition, partially offset by decreased natural gas and NGL production.

Electricity sales increased in 2017, including the successor and predecessor periods, by $2 million, or 10%, when compared to the year ended December 31, 2016 primarily due to higher volumes sold externally because of lower internal usage related to lower steamflood production activity, as well as higher prices.

Losses on oil and natural gas derivatives increased in 2017, including the successor and predecessor periods, by $38 million, or 242%, when compared to the year ended December 31, 2016 primarily due to increased hedging activity, a portion of which was required by the RBL Facility, and improved commodity prices relative to the fixed prices of our derivative contracts.

Marketing revenues in 2017, including the successor and predecessor periods, were comparable to the year ended December 31, 2016.

Other revenues decreased in 2017, including the successor and predecessor periods, by $2 million, or 29%, when compared to the year ended December 31, 2016 due to a decrease in helium gas sales as a result of the Hugoton Disposition.

Expenses

Lease operating expenses include fuel, labor, field office, vehicle, supervision, maintenance, tools and supplies, and workover expenses. Lease operating expenses decreased in 2017, including the successor and predecessor periods, by $7 million, or 4%, when compared to the year ended December 31, 2016 primarily due to the effect of the Hugoton Disposition (natural gas production) and the Hill Acquisition (oil production), reflecting higher operating expenses associated with natural gas production compared to oil production, and our production decline as a result of decreased development activity and a reduction of steamflooding. While production volumes decreased as a result of the Hugoton Disposition and Hill Acquisition, which decrease adversely impacted costs per Boe, our oil, natural gas and NGL revenues remained constant due to a product mix more heavily weighted towards oil.

Electricity generation expenses increased in 2017, including the successor and predecessor periods, by $1 million, or 6%, when compared to the year ended December 31, 2016, primarily due to the increase in the price of natural gas used in steam generation, for which electricity generation is a by-product.

Transportation expenses decreased in 2017, including the successor and predecessor periods, by $16 million, or 39%, when compared to the year ended December 31, 2016, primarily due to the cancellation of uneconomic contracts in the Chapter 11 Proceedings and the Hugoton Disposition, which required significant transportation expenses.

Marketing expenses in 2017, including the successor and predecessor periods, were comparable to the year ended December 31, 2016.

General and administrative expenses decreased in 2017, including the successor and predecessor periods, by $15 million, or 19%, when compared to the year ended December 31, 2016 primarily due to the management change in conjunction with our emergence from bankruptcy. The reduction in absolute dollars offset by lower production resulted in higher general and administrative expenses per Boe for the year ended December 31, 2017 when compared to the same period in 2016. General and administrative expenses include non-recurring

restructuring and other costs of approximately $30 million and non-cash stock compensation costs of approximately $2 million for the ten months ended December 31, 2017. General and administrative expenses in 2016 mainly consisted of allocations from our parent company at the time.

Depreciation, depletion and amortization decreased in 2017, including the successor and predecessor periods, by $82 million, or 46%, when compared to the year ended December 31, 2016, 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 year ended December 31, 2017, including successor and predecessor periods, 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)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 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
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 year ended December 31, 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)			
	(a) Ten Months Ended December 31, 2017	(b) Two Months Ended February 28, 2017	(c) Year Ended December 31, 2016	((a)+(b))-(c) change	% change
	(audited)				
	($ in thousands)				
Severance taxes	$ 8,992	$ 1,540	$ 7,968	$ 2,564	32%
Ad valorem taxes	11,599	2,108	10,951	$ 2,756	25%
Greenhouse gas allowances	13,620	1,564	6,063	$ 9,121	150%
Other	—	—	131	$ (131)	(100)%
	$ 34,211	$ 5,212	$ 25,113	$ 14,310	57%

Taxes, other than income taxes, increased in 2017, including the successor and predecessor periods, by $14 million, or 57%, compared to the year ended December 31, 2016. Severance taxes, which are a function of

revenues generated from production in certain jurisdictions, increased in 2017, including successor and predecessor periods, by $2.5 million, or 32%, primarily because of increased revenues. Ad valorem taxes, which are based on the value of reserves and production equipment, and vary by location, increased in 2017, including the successor and predecessor periods, by $3 million, or 25%, compared to the year ended December 31, 2016, as a result of higher estimated valuations by various tax authorities based on increased commodity prices. Greenhouse gas allowances increased in 2017, including the successor and predecessor periods, by $9 million, or 150%, when compared to the year ended December 31, 2016, primarily due to increased development activity in the second half of 2017 and an increase in the price of allowances.

Gains on Sale of Assets and Other, Net

Gains on sales of assets and other, net increased in 2017, including the successor and predecessor periods, by $23 million, compared to the year ended December 31, 2016, primarily due to the Hugoton Disposition.

Other Income and (Expenses)

	Berry Corp. (Successor)	Berry LLC (Predecessor)			
	(a) Ten Months Ended December 31, 2017	(b) Two Months Ended February 28, 2017	(c) Year Ended December 31, 2016	((a)+(b))-(c) change	% change
		(audited) ($ in thousands)			
Interest expense	$ (18,454)	$ (8,245)	$ (61,268)	$ 34,569	56%
Other income, net	4,071	(63)	(182)	$ 4,190	2,302%
	$ (14,383)	$ (8,308)	$ (61,450)	$ 38,759	63%

Interest expense decreased in 2017, including the successor and predecessor periods, by $35 million, or 56%, compared to the year ended December 31, 2016, due to reduced debt resulting from the bankruptcy. Other income, net, for the year ended December 31, 2017, primarily consists of a refund of a federal tax overpayment from a prior year.

Income Tax Expense (Benefit)

On the Effective Date, upon consummation of the Plan, we became subject to federal and state income taxes as a C corporation. Prior to the consummation of the Plan, we were treated as a disregarded entity for federal and state income tax purposes as a limited liability company, 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, we did not directly pay federal and state income taxes and recognition was not given to federal and state income taxes for our operations prior to the Effective Date.

Income tax expense increased in 2017, including the successor and predecessor periods, by $3 million when compared to the year ended December 31, 2016 as a result of federal and state alternative minimum tax current taxes and a valuation allowance in excess of net deferred tax assets of $1.9 million due to the impact of applying the Tax Act legislation at the end of 2017.

Reorganization Items, Net

Reorganization items, net, decreased in 2017, including the successor and predecessor periods by $437 million, or 600%, compared to the year ended December 31, 2016, primarily due to the impact from the application of fresh-start accounting in conjunction with our emergence from bankruptcy during the two months

ended February 28, 2017, partially offset by the gain on settlement of liabilities subject to compromise. Reorganization items represent costs and income directly associated with the Chapter 11 Proceeding since 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:

	Berry Corp. (Successor)	Berry LLC (Predecessor)			
	(a) Ten Months Ended December 31, 2017	(b) Two Months Ended February 28, 2017	(c) Year Ended December 31, 2016	((a)+(b))-(c) change	% change
		(audited) ($ in thousands)			
Gain on settlement of liabilities subject to compromise	$ —	$ 421,774	$ —	$ 421,774	—
Legal and other professional advisory fees	(1,732)	(19,481)	(30,130)	8,917	30%
Unamortized premiums	—	—	10,923	(10,923)	(100)%
Terminated contracts	—	—	(55,148)	55,148	100%
Fresh-start valuation adjustments	—	(920,699)	—	(920,699)	—
Other	—	10,686	1,693	8,993	531%
	$ (1,732)	$ (507,720)	$ (72,662)	$(436,790)	(601)%

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 may 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 12 months. In February 2018, we closed the 2026 Notes offering, which resulted in net proceeds to us of approximately $391 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the issuance of the 2026 Notes to repay borrowings under the RBL Facility and used the remainder for general corporate purposes.

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 March 31, 2018, our Leverage Ratio and Current Ratio were 2.32:1.00 and 4.83:1.00, respectively, and consequently, we were in compliance. As of May 31, 2018, our borrowing base was approximately $400 million, and we had $331 million available for borrowing under the RBL Facility. In connection with the issuance of the 2026 Notes, the RBL Facility borrowing base was set at $400 million, which incorporated a $100 million reduction, or 25%, of the face value of the 2026 Notes. In March 2018, we completed a borrowing base redetermination that reaffirmed our borrowing base at $400 million with an elected commitment feature that allows us to increase the borrowing base to $575 million with lender approval. Borrowing base redeterminations become effective on, or about, each May 1 and November 1, although each of us and the administrative agent may make one interim redetermination between scheduled redeterminations.

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, 2017 and 2016, our and our predecessor company's capital expenditures were approximately $73 million, including the predecessor and successor periods, and $26 million, respectively, on an accrual basis 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 May 31, 2018, we have hedged approximately 2.5 MMBbls for 2018, 3.7 MMBbls for 2019 and 0.5 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 "Business—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)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
			($ in thousands)		
Net cash:					
Provided by operating activities	$ 27,592	$ 107,399	$ 24,234	$ 22,431	$ 13,197
Used in investing activities	(19,876)	(80,525)	(7,700)	(3,133)	(34,602)
(Used in) provided by financing activities	12,185	(43,170)	(25,000)	(162,668)	(1,701)
Net (decrease) increase in cash and cash equivalents	$ 19,901	$ (16,296)	$ (8,466)	$ (143,370)	$ (23,106)

Operating Activities

Cash provided by operating activities decreased for the three months ended March 31, 2018 by $19 million when compared to the same period in 2017, including successor and predecessor periods, primarily due to realized hedge losses and negative working capital effects in 2018, partially offset by the impact of higher sales and lower costs.

Cash provided by operating activities increased for the year ended December 31, 2017, including successor and predecessor periods, by approximately $117 million when compared to the same period in 2016, primarily due to the increases in the price of oil and natural gas, and decreases in operating expenses, interest expense and costs incurred in conjunction with our emergence from bankruptcy.

Investing Activities

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

	Berry Corp. (Successor)			Berry LLC (Predecessor)	
	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
			($ in thousands)		
Capital expenditures(1)	$ (19,876)	$ (65,479)	$ (7,700)	$ (3,158)	$ (34,796)
Acquisition of properties	—	(249,338)	—	—	—
Proceeds from sale of properties and equipment and other	—	234,292	—	25	194
Cash used in investing activities:	$ (19,876)	$ (80,525)	$ (7,700)	$ (3,133)	$ (34,602)

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

Cash used in investing activities increased for the three months ended March 31, 2018 by $9 million when compared to the same period in 2017, including successor and predecessor periods, primarily due to increased capital spending that we funded with our cash flow from operations

Cash used in investing activities increased in 2017, including the successor and predecessor periods, by $49 million compared to the year ended December 31, 2016, due to the Hill Acquisition, partially offset by the Hugoton Disposition and the increase in capital expenditures. Capital expenditures increased in 2017, including the successor and predecessor periods, by $34 million, or 97%, compared to the year ended December 31, 2016, 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, improved commodity prices, decreased costs and entry into the RBL Facility.

Financing Activities

Cash provided by financing activities was approximately $12 million for the three months ended March 31, 2018 and was primarily related to receiving $391 million net proceeds from the issuance of our 2026 Notes offset by payments on the RBL Facility of $379 million. Cash used in financing activities was approximately $25 million for the one month ended March 31, 2017 and was related to payments on the Emergence Credit Facility. Cash used in financing activities was approximately $43 million for the ten months ended December 31, 2017 and was primarily related to repayments of the Emergence Credit Facility and payments of debt issuance costs for the RBL Facility, partially offset by borrowings under the new RBL Facility. Cash used in financing activities was approximately $163 million for the two months ended February 28, 2017 and was primarily related to the repayments on the Pre-Emergence Credit Facility partially offset by the receipt of proceeds from the issuance of our Series A Preferred Stock. Cash used in financing activities was approximately $2 million for the year ended December 31, 2016 and was primarily related to repayments on the Pre-Emergence Credit Facility.

Debt

2026 Notes Offering

In February 2018, we closed the 2026 Notes offering of $400 million in aggregate principal amount of our 2026 Notes, which resulted in net proceeds to us of approximately $391 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the issuance of the 2026 Notes 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% 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 the 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, sell or dispose of 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.

The RBL Facility

On July 31, 2017, Berry LLC, as borrower, entered into the RBL Facility. The RBL Facility provides for a revolving loan with up to $1.5 billion of commitments, subject to a reserve borrowing base, and provided an initial commitment of $500 million. 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 December 31, 2017, prior to our sale of the 2026 Notes, we had $379 million in borrowings and approximately $21 million in letters of credit outstanding under the RBL Facility. Borrowing base redeterminations become effective on or about each May 1 and November 1, although each of us and the administrative agent may make one interim redetermination between scheduled redeterminations. In connection with the issuance of the 2026 Notes, the RBL Facility borrowing base was set at $400 million, which incorporated a $100 million reduction, or

25%, of the face value of the 2026 Notes. In March 2018, we completed a borrowing base redetermination that reaffirmed our borrowing base at $400 million with an elected commitment feature that allows us to increase the borrowing base to $575 million with lender approval. As of May 31, 2018, we had $62 million in borrowings and approximately $7 million in letters of credit outstanding and borrowing availability of $331 million under the RBL Facility. The RBL Facility matures on July 29, 2022, unless terminated earlier in accordance with the RBL Facility terms.

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 3.50% per annum, and (ii) a customary base rate plus an applicable margin ranging from 1.50% to 2.50% 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 lenders under the RBL Facility hold a mortgage on 85% of the present value of our proven oil and gas reserves. The obligations of Berry LLC and the guarantors are also secured by liens on substantially all of our personal property, subject to customary exceptions. The RBL Facility, with certain exceptions, also requires that any future subsidiaries of Berry LLC will also have to grant mortgages, security interests and equity pledges.

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, sell or dispose of 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 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. Initial 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.

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 entity 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.

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 March 31, 2018 and December 31, 2017 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—The RBL Facility."

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. On November 13, 2017 the court denied Wells' motion. Wells filed a notice of appeal on November 27, 2017, but, on February 5, 2018, Wells voluntarily dismissed the appeal against us. As a result, the Bankruptcy Court's ruling in our favor is final.

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 May 31, 2018, we are not aware of material indemnity claims pending or threatened against us.

The following is a summary of our commitments and contractual obligations as of March 31, 2018:

Contractual Obligations	Payments Due				
	Total	2018	2019-2020	2021-2022	2023 and Beyond
	($ in thousands)				
Debt obligations:					
RBL Facility(1)	$ 803	$ 139	$ 372	$ 292	$ —
2026 Notes principal and interest(2)	620,529	21,000	56,000	56,000	487,529
Other:					
Commodity derivatives	92,075	53,331	38,744	—	—
Firm natural gas transportation contracts(3)	9,188	1,323	3,468	3,336	1,061
Off-Balance Sheet arrangements:					
Operating lease obligations	2,694	1,012	1,327	320	35
Purchase obligations and other(4)(5)	16,539	16,539	—	—	—
	$741,828	$93,344	$ 99,911	$ 59,948	$488,625

(1) Represents interest on the RBL Facility letters of credit computed at 2.6% through contractual maturity in 2022.
(2) Represents interest on the 2026 Notes, principal amount of $400 million, computed at 7% through contractual maturity in 2026.
(3) 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.
(4) Does not include drilling commitments related to the Chevron North Midway-Sunset acquisition.
(5) Included in these obligations are natural gas purchase contracts for our cogeneration facilities, valued at approximately $10.5 million, and purchase obligations of approximately $6 million related to a commitment to either (a) invest at least $9 million to extend an existing access road in connection with our Piceance assets or construct a new access road, or (b) pay 50% of the difference between $12 million and the actual amount spent on such access road construction prior to the end of 2019. If we do not obtain extensions for the road obligation, we may trigger the payment obligation which, if we were unable to negotiate resolution, would reduce our capital available for investment.

The following is a summary of our commitments and contractual obligations as of December 31, 2017:

Contractual Obligations	Payments Due				
	Total	2018	2019-2020	2021-2022	2023 and Beyond
	($ in thousands)				
Debt obligations:					
RBL Facility	$379,000	$ —	$ —	$379,000	$ —
Interest(1)	86,698	18,949	37,898	29,851	—
Other:					
Commodity derivatives	75,281	49,949	25,332	—	—
Firm natural gas transportation contracts(2)	9,590	1,751	3,474	3,336	1,029
Off-Balance Sheet arrangements:					
Operating lease obligations	2,750	1,349	1,226	175	—
Purchase obligations and other(3)	20,045	14,045	6,000	—	—
	$573,364	$86,043	$ 73,930	$412,362	$ 1,029

(1) Represents interest on the RBL Facility computed at 4.8% 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 are natural gas purchase contracts for our cogeneration facilities, valued at approximately $14 million, and purchase obligations of approximately $6 million related to a commitment to either (a) invest at least $9 million to extend an existing access road in connection with our Piceance assets or construct a new access road, or (b) pay 50% of the difference between $12 million and the actual amount spent on such access road construction prior to the end of 2019. If we do not obtain extensions for the road obligation, we may trigger the payment obligation which, if we were unable to negotiate resolution, would reduce our capital available for investment.

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. 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 and puts. 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, or 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. The maximum amount of loss due to credit risk that we would incur if the counterparties failed completely to perform according to the terms of the contracts, based on the gross fair value of financial instruments, was zero at March 31, 2018, as we held no derivative asset positions.

At March 31, 2018, the fair value of fixed price swaps was a net liability of approximately $92 million, as determined from prices provided by external sources that are not actively quoted. A 10% increase in the oil index price above the March 31, 2018 price would result in a net liability of approximately $144 million, which represents a decrease in the fair value of approximately $52 million; conversely, a 10% decrease in the oil index price below the March 31, 2018 price would result in a net liability of approximately $40 million, which represents an increase in the fair value of approximately $52 million.

As of December 31, 2017, we had a net derivative liability of $75.3 million carried at fair value, as determined from prices provided by external sources that are not actively quoted. A 10% increase in the index oil

and natural gas prices above the December 31, 2017 prices would result in a net liability of approximately $133 million which represents a decrease in the fair value of approximately $57 million; conversely, a 10% decrease in the index oil and natural gas prices below the December 31, 2017 prices, would result in a net liability of approximately $18 million, which represents an increase in the fair value of approximately $57 million. 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.

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 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.

Counterparty Credit Risk

We account for our commodity derivatives at fair value. We had five commodity derivative counterparties at March 31, 2018 and December 31, 2017. We did not receive collateral from any of our counterparties. We minimize the credit risk of our 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.

Interest Rate Risk

As of December 31, 2017, we had debt outstanding under the RBL Facility of approximately $379 million, which incurred interest at floating rates. As of December 31, 2017, 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 issuance of the 2026 Notes to repay borrowings under the RBL Facility in February 2018. As of May 31, 2018, we had $62 million outstanding under the RBL Facility.

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	245,702
Total post-petition liabilities and allowed claims	2,137,297
Reorganization value of assets immediately prior to implementation of the Plan	(1,722,585)
Excess post-petition liabilities and allowed claims	$ 414,712

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 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	$ 1,278,527
Plus: Fair value of non-debt liabilities	282,511
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.

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. Under 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 in the current period. Gains or losses from the disposal of other properties are recognized in the current period. For assets acquired, we base the capitalized cost on fair value at the acquisition date. We expense expenditures for maintenance and repairs necessary to maintain properties in operating condition, as well as annual lease rentals, as they are incurred. Estimated dismantlement and abandonment costs are capitalized, net of salvage, at their estimated net present value and amortized over the remaining lives of the related assets. We only capitalized this interest on borrowed funds related to our share of costs associated with qualifying capital expenditures. Interest is capitalized only during the periods in which these assets are brought to their intended use. The amount of capitalized interest and exploratory well costs in 2017 and 2016 was not significant.

We evaluate the impairment of our proved oil and natural gas properties generally on a field by field basis or at the lowest level for which cash flows are identifiable, whenever events or changes in circumstance indicate

that the carrying value may not be recoverable. We reduce the carrying values of proved properties to fair value when the expected undiscounted future cash flows are less than net book value. We measure the fair values of proved properties 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 risk-adjusted discount rate. These inputs require significant judgments and estimates by our management at the time of the valuation and are the most sensitive estimates that we make and the most likely to change. The underlying commodity prices are embedded in our estimated cash flows and are the product of a process that begins with the relevant forward curve pricing, adjusted for estimated location and quality differentials, as well as other factors our management believes will impact realizable prices.

Impairment of Proved Properties

Based on the analysis described above, for the year ended December 31, 2016, we recorded noncash impairment charges of approximately $1.0 billion associated with proved oil and natural gas properties. The 2016 impairment charges 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 were 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 was attributable to unproved properties. At December 31, 2017 and 2016, the net capitalized costs attributable to unproved properties were approximately $517 million and $680 million, respectively. The unproved amounts were not subject to depreciation, depletion and amortization until they were classified as proved properties and amortized on a unit-of-production basis. We evaluate the impairment of our unproved oil and gas properties whenever events or changes in circumstances indicate the carrying value may not be recoverable. 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 December 31, 2017. Based on the analysis described above, for the year ended December 31, 2016, we recorded noncash impairment charges of approximately $13 million associated with unproved oil and natural gas properties. The impairment charges in 2016 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 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 its useful life and the cost of the obligation can be reasonably estimated.

The liability amounts were 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 was initially recorded, we capitalized the cost by increasing the related property, plant and

equipment (“PP&E”) balances. If the estimated 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.

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 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 assessing 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.

Stock-based Compensation

Subsequent to February 28, 2017, we issued restricted stock units (“RSUs”) that vest over time and performance-based restricted stock units (“PRSUs”) that vest based on our achievement of certain average prices per share, to certain employees and non-employee directors. The fair value of the stock-based awards is determined at the date of grant and is not remeasured. We determined the fair value of the RSUs based on an estimate of the fair value of our equity using an income approach. We used a discounted cash flow method to value the estimated future cash flows at an appropriate discount rate. If and when our underlying shares begin trading in the public markets, these estimates will no longer be necessary. For PRSUs, compensation value is measured on the grant date using payout values derived from a Monte-Carlo valuation model. Estimates used in the Monte Carlo valuation model are considered highly complex and subjective. Compensation expense, net of actual forfeitures, for the RSUs and PRSUs is recognized on a straight-line basis over the requisite service periods, which is generally over the awards’ respective three-year vesting or performance periods.

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 Adopted Accounting Standards

In November 2016, the Financial Accounting Standards Board ("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. We adopted these rules retrospectively on January 1, 2018, as a result of which we included restricted cash amounts in our beginning and ending cash balances on the statement of cash flows and included a disclosure reconciling cash and cash equivalents presented on the balance sheets to cash, cash equivalents and restricted cash on the statement of cash flows.

New Accounting Standards Issued, But Not Yet Adopted

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, 2019, including interim periods within those fiscal years, with earlier application permitted. We expect the adoption of these rules to primarily impact other assets and other liabilities and do not expect a material impact on our consolidated results of operations.

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 consolidated financial statements and related disclosures.

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 California-based independent upstream energy company engaged primarily in the development and production of conventional oil reserves located in the western United States. Our long-lived, predictable and high margin asset base is uniquely positioned to support our objectives of generating top-tier corporate-level returns and positive free cash flow through commodity price cycles. We believe that executing our strategy across our low-declining production base and extensive inventory of identified drilling locations will result in long-term, capital efficient production growth as well as the ability to return excess free cash flow to stockholders.

We target onshore, low-cost, low-risk, oil-rich reservoirs in the San Joaquin basin of California and the Uinta basin of Utah, and, to a lesser extent, the low geologic risk natural gas resource play in the Piceance basin in Colorado. In the aggregate, the Company's assets are characterized by:

- high oil content, which makes up approximately 81% of our production;
- favorable Brent-influenced crude oil pricing dynamics;
- long-lived reserves with low and predictable production decline rates;
- stable and predictable development and production cost structures;
- a large inventory of low-risk identified development drilling opportunities with attractive full-cycle economics; and
- potential in-basin organic and strategic opportunities to expand our existing inventory with new locations of substantially similar geology and economics.

California is and has been one of the most productive oil and natural gas regions in the world. Our asset base is concentrated in the oil-rich San Joaquin basin in California, which has more than 100 years of production history and substantial remaining oil in place. As a result of these attributes, we have a strong understanding of many of the basin's geologic and reservoir characteristics, leading to predictable, repeatable, low-risk development opportunities.

In California, we focus on conventional, shallow reservoirs, the drilling and completion of which are relatively low-cost in contrast to modern unconventional resource plays. Our decades-old proven completion techniques in these reservoirs include steamflood and low-volume fracture stimulation. For example, we estimate the cost for PUD wells drilled and completed in California will average less than $450,000 per well. In contrast, we estimate the cost of PUD wells drilled and completed in the Piceance basin will average $1.8 million per well. Using SEC Pricing as of December 31, 2017, there were approximately 80 gross PUD locations associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude these Piceance locations.

We also own assets in the Uinta basin in Utah, a stacked, multi-bench, light-oil-prone play with significant undeveloped resources where we have high operational control and additional behind pipe potential and in the East Texas basin, an extensive over-pressured natural gas cell, as well as in the Piceance basin in Colorado, a prolific low geologic risk natural gas play where we produce from a conventional, tight sandstone reservoir using proven slick water fracture stimulation techniques to increase recoveries.

We are led by an executive leadership team with over 100 years of combined energy industry experience and an average of over 25 years in the sector. Our management will leverage their collective experience, which spans domestic and international basins as well as a variety of reservoir recovery types, to enhance existing production, improve drilling and completion techniques, control costs and maximize the ultimate recovery of hydrocarbons from our assets with the ultimate objective of increasing stockholder value.

Using SEC Pricing as of December 31, 2017, we had estimated total proved reserves of 141,384 MBoe. For the three months ended March 31, 2018, we had average production of approximately 26.2 MBoe/d, of which approximately 81% was oil. In California, our average production for the three months ended March 31, 2018 was 18.8 MBoe/d, of which approximately 100% was oil.

The Berry Advantage

We believe that our combination of low production decline rates, high margin oil-weighted production, attractive development opportunities and a stable cost environment differentiates us from our competitors and provides for low-breakeven commodity prices and an ability to generate top-tier corporate level returns, positive levered free cash flow and capital-efficient growth through commodity price cycles.

Our Low Declining Production Base

Our reserves are generally long-lived and characterized by relatively low production decline rates, affording us significant capital flexibility and an ability to efficiently hedge material quantities of future expected production. For example, our PDP reserves have an estimated compound annual decline rate of approximately 13% between 2018 and 2022 based on total PDP reserves as of December 31, 2017 as reflected in our SEC reserve report, which is attached as Annex A. Our SEC reserve report is based on the estimated individual well production profiles used to determine our PDP reserves. Based on the assumptions underlying our PUD estimates, we estimate that the annual capital budget required to keep production volumes consistent each year over the next three years is approximately $110 million.

Our Oil-Weighted, High Margin Production

Our highly oil-weighted production combined with a Brent-influenced California pricing dynamic and stable cost structures has resulted, and is expected to continue to result, in strong operating margins. As of December 31, 2017, our California PUD reserves were 100% oil.

Our Attractive Development Opportunities

Our estimated development costs associated with our PUD reserves are $8.89 per Boe on a total company basis and $10.95 per Boe in California. We believe that our estimated development costs, when combined with our operating costs, commodity mix and price realizations, present attractive breakeven economics for our development opportunities.

We expect our identified drilling locations to generate attractive rates of return. The following table presents our expected average single-well rates of return on drilling opportunities associated with our California PUD reserves based on the assumptions used in preparing our December 31, 2017 SEC reserve report, including pricing and cost assumptions, which can be found under "Primary Economic Assumptions" on page 6 of our reserve report. Using SEC Pricing as of December 31, 2017, there were approximately 23 MMBoe of PUDs associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude development in the Piceance basin. As a result, information with respect to our Colorado PUDs as of December 31, 2017 has been omitted from the table below. The table also includes a commodity price sensitivity scenario, which is based on Strip Pricing as of May 31, 2018.

	PUD Weighted-Average Economics			
	Per Well		IRR	
Asset	EUR (MBOE)	D&C ($ in thousands)	SEC Pricing as of December 31, 2017(1)	Strip Pricing as of May 31, 2018(2)
California	45	>$ 450	51%	65%

(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 $54.42 per Bbl ICE (Brent) for oil and NGLs and $2.98 per MMBtu NYMEX

Henry Hub for natural gas at December 31, 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 "—Our Reserves and Production Information."

(2) Our Strip Pricing oil, natural gas and NGL reserves were determined using index prices for natural gas and oil, respectively, as of May 31, 2018, without giving effect to derivative transactions. The average future prices for benchmark commodities used in determining our Strip Pricing reserves were $74.59 per Bbl for oil and NGLs for 2018, $72.98 for 2019, $69.15 for 2020 and $66.49 for 2021 thereafter, on the ICE (Brent), and $2.94 per Mcf for natural gas for 2018, $2.75 for 2019, $2.68 for 2020 and $2.66 for 2021 thereafter, on the NYMEX Henry Hub. NGL pricing used in determining our Strip Pricing reserves was approximately 36% of future crude oil prices. Also, we have taken into account pricing differentials reflective of the current market environment. Please see "—Our Reserves and Production Information."

Our Stable California Operating and Development Cost Environment

The operating and development cost structures of our conventional California asset base are inherently stable and predictable. Our California focus largely insulates us from the cost inflation pressures experienced by our peers who operate primarily in unconventional plays. This is the result of our established infrastructure, low-intensity service requirements and lack of dependence on inventory-constrained and often highly specialized equipment. In addition, the majority of our California assets reside in the shallow steam-flood fields of the San Joaquin basin, which are lower cost to develop compared to the water flood fields of the Los Angeles and Ventura basins.

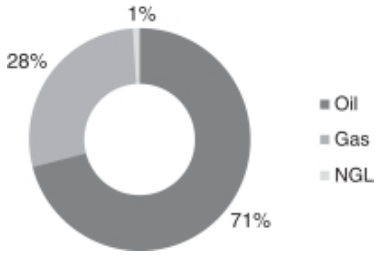
Our Reserves and Assets

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 and in the East Texas basin, an extensive over-pressured natural gas cell, as well as in the Piceance basin in Colorado, a prolific natural gas play with low geologic risk.

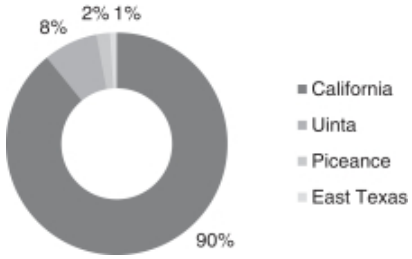
Using SEC Pricing as of December 31, 2017, the standardized measure of discounted future net cash flows of our proved reserves and the PV-10 of our proved reserves were approximately $1.0 billion and $1.1 billion, respectively. Using Strip Pricing as of May 31, 2018, the PV-10 of our proved reserves was approximately $1.9 billion. PV-10 is a financial measure that is not calculated in accordance with GAAP. For a definition of PV-10 and a reconciliation to the standardized measure of discounted future net cash flows, please see "Prospectus Summary—Summary Reserves and Operating Data—PV-10."

The charts below summarize certain characteristics of our proved reserves and PV-10 of proved reserves using SEC Pricing as of December 31, 2017 and Strip Pricing as of May 31, 2018 (as described in the tables below and in "Prospectus Summary—Summary Reserves and Operating Data"):

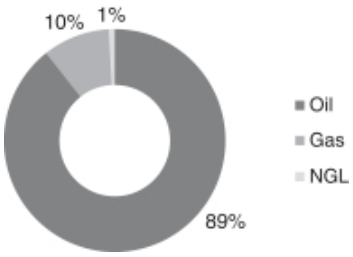
1P Reserves by Commodity (SEC Pricing)
(141 MMBoe)



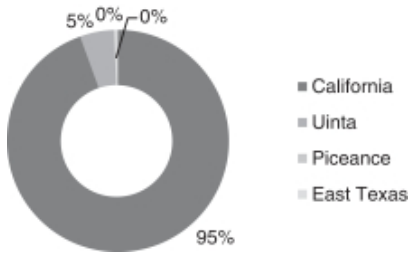
1P PV-10 by Area (SEC Pricing)
($1.1 billion)



1P Reserves by Commodity (Strip Pricing)
(115 MMBoe)



1P PV-10 by Area (Strip Pricing)
($1.9 billion)



The tables below summarize our proved reserves and PV-10 by category using SEC Pricing as of December 31, 2017 and Strip Pricing as of May 31, 2018:

	SEC Pricing as of December 31, 2018(1)							
	Oil (MMBbl)	Natural Gas (Bcf)	NGLs (MMBbl)	Total (MMBoe)	% of Proved	% Proved Developed	Capex(2) ($MM)	PV-10(3) ($MM)
PDP	63	100	1	81	57	93	$ 50	$ 762
PDNP	6	—	—	6	4	7	10	89
PUD(5)	32	137	—	55	39	—	488	262
Total	101	237	1	141	100	100	$ 548	$ 1,114

	Strip Pricing as of May 31, 2018(4)							
	Oil (MMBbl)	Natural Gas (Bcf)	NGLs (MMBbl)	Total (MMBoe)	% of Proved	% Proved Developed	Capex(2) ($MM)	PV-10(3) ($MM)
PDP	64	67	1	77	67	93	50	1,205
PDNP	6	—	—	6	5	7	10	136
PUD	32	—	—	32	28	—	348	521
Total	102	67	1	115	100	100	407	1,862

(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 $54.42 per Bbl ICE (Brent) for oil and NGLs and $2.98 per MMBtu NYMEX Henry Hub for natural gas at December 31, 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 December 31, 2017.

(3) PV-10 is a financial measure that is not calculated in accordance with GAAP. For a definition of PV-10 and a reconciliation to the standardized measure of discounted future net cash flows, please see "Prospectus Summary—Summary Reserves and Operating Data—PV-10." PV-10 does not give effect to derivatives transactions.

(4) Our Strip Pricing oil, natural gas and NGL reserves were determined using index prices for natural gas and oil, respectively, as of May 31, 2018, without giving effect to derivative transactions. The average future prices for benchmark commodities used in determining our Strip Pricing reserves were $74.59 per Bbl for oil and NGLs for 2018, $72.98 for 2019, $69.15 for 2020 and $66.49 for 2021 thereafter, on the ICE (Brent), and $2.94 per Mcf for natural gas for 2018, $2.75 for 2019, $2.68 for 2020 and $2.66 for 2021 thereafter, on the NYMEX Henry Hub. NGL pricing used in determining our Strip Pricing reserves was approximately 36% of future crude oil prices. The decrease in reserve volumes using Strip Pricing as opposed to SEC Pricing is primarily the result of lower realized gas prices in Colorado using Strip Pricing as of May 31, 2018. Also, we have taken into account pricing differentials reflective of the current market environment. Please see "Prospectus Summary—Summary Reserves and Operating Data."

(5) Using SEC Pricing as of December 31, 2017, there were approximately 23 MMBoe of PUDs associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude the development in the Piceance basin.

The table below summarizes our average net daily production by basin for the three months ended March 31, 2018:

	Average Net Daily Production for the Three Months Ended March 31, 2018	
	(MBoe/d)	Oil (%)
California	18.8	100%
Uinta basin	5.0	46%
Piceance basin	1.6	1%
East Texas basin	0.8	0%
Total	26.2	81%

Our Development Inventory

We have an extensive inventory of low-risk, high-return development opportunities. As of March 31, 2018 we identified 3,397 Tier 1 gross drilling locations and 3,656 additional gross drilling locations that are currently under review. 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 operations as of March 31, 2018:

	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%	2,600	99%	94%	4,858	4,847
Uinta basin	133,016	96,096	72%	909	95%	62%	1,245	1,083
Piceance basin	10,553	8,008	85%	170	72%	74%	870	664
East Texas basin	5,853	4,533	100%	116	99%	78%	80	79
Total	160,302	116,582	76%	3,795	97%	87%	7,053	6,673

(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 approximately 790 gross (786 net) locations associated with PUDs as of December 31, 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 March 2018.

Additionally, our California assets are primarily focused on the Hill Diatomite, Thermal Diatomite and Thermal Sandstones development areas. As set forth in the table below, as of March 31, 2018, we identified 3,397 Tier 1 gross drilling locations and 3,656 additional gross drilling locations that are currently under review associated with these assets. Our drilling inventory as of March 31, 2018 does not include 250 gross (250 net) locations associated with the Chevron North Midway-Sunset acquisition, which was completed in April 2018.

State	Project Type	Well Type	Completion Type	Recovery Mechanism	Gross Drilling Locations(1)		
					Tier 1	Additional	Total
California	Hill Diatomite (non-thermal)	Vertical	Low intensity pin point fracture	Pressure depletion augmented with water injection	311	585	896
California	Thermal Diatomite	Vertical	Short interval perforations	Cyclic steam injection	774	904	1,678
California	Thermal Sandstones	Vertical / Horizontal	Perforation/Slotted liner/gravel pack	Continuous and cyclic steam injection	1,860	424	2,280
Utah	Uinta	Vertical / Horizontal	Low intensity fracture stimulation	Pressure depletion	452	793	1,245
Colorado	Piceance	Vertical	Proppantless slick water fracture stimulation	Pressure depletion	—	870	870
Texas	East Texas	Vertical / Horizontal	Low intensity fracture stimulation	Pressure depletion	—	80	80
Total					**3,397**	**3,656**	**7,053**

(1) We had 790 gross (786 net) locations associated with PUDs as of December 31, 2017 using SEC Pricing, including 161 gross (161 net) steamflood and waterflood injection wells. Of those 790 gross PUD locations, 710 are associated with projects in California and 80 are associated with the Piceance basin. 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. During the three months ended March 31, 2018, we drilled 30 gross (30 net) wells that were associated with PUDs at December 31, 2017, including 5 gross (5 net) steamflood and waterflood injection wells.

(2) Represents wells that we anticipate drilling over the next 5 to 10 years.

(3) Using SEC Pricing as of December 31, 2017, there were 80 gross PUD locations associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude these Piceance locations.

Other Assets

We produce oil from heavy crude reservoirs using steam to heat the oil so that it will flow. To assist in this development, we own and operate five natural gas cogeneration plants that produce steam. These plants supply approximately 23% of our steam needs and 82% of our field electricity needs in California at a discount to electricity market prices. To further offset our costs, we currently 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 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 compression facilities we operate. Approximately 90% 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 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***. 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 structure and low-risk developmental drilling opportunities with predictable production profiles. The nature of our assets provides us with 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 proved undeveloped reserves in California are projected to average single-well rates of return of approximately 51%, assuming SEC Pricing as of December 31, 2017, based on the assumptions used in preparing our SEC reserve report, which can be found under “Primary Economic Assumptions” on page 6 of our reserve report, and 65% assuming Strip Pricing as of May 31, 2018, based on the assumptions found in the Strip Pricing addendum to our reserve report. Our extensive inventory consists of 3,397 Tier 1 gross drilling locations and 3,656 additional gross drilling locations that are currently under review.
- ***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.

- ***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 levered free cash flows as well as the value of our production and reserves. In doing so, we 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.
- ***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. We expect our operations to continue to generate sufficient levered free cash flow at current commodity prices to fund maintenance operations and growth. Also, unlike our peers who operate primarily in unconventional plays, our assets generally do not necessitate inventory-constrained and highly specialized equipment, which provides us relative insulation from cost inflation pressures. Our high degree of operational control and relatively stable cost environment provide us significant visibility and understanding of our expected cash flows.
- ***Conservative balance sheet leverage with ample liquidity and minimal contractual obligations***. In February 2018, we closed the 2026 Notes offering, which resulted in net proceeds to us of approximately $391 million after deducting expenses and the initial purchasers' discount. After giving effect to our sale of common stock in this offering, we expect to have approximately $ million of available liquidity, defined as cash on hand plus availability under the 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.

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 levered free 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 proppantless slick water fracture stimulation techniques. In addition, we intend to take advantage of underdevelopment in basins where we operate by expanding our geologic investigation of deeper reservoirs on our acreage and adjacent acreage below existing producing reservoirs. Through

these studies, we will seek to expand our development beyond our known productive areas in order to add probable and possible reserves to our inventory at attractive all-in costs.

- ***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.
- ***Return excess free cash flow to stockholders***. Our objective is to implement a disciplined and returns-focused approach to capital allocation in order to generate excess free cash flow. We intend to return portions of that excess free cash flow to stockholders on a quarterly basis. If commodity prices increase for a sustained period of time, we would consider repaying debt obligations or returning additional capital to shareholders. For a discussion of our dividend policy, please see “Dividend Policy.”
- ***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. We will review our hedging program continuously as conditions change.

Our Capital Budget

Following Berry LLC’s emergence from bankruptcy and separation from the Linn Entities, we increased our pace of development and have continued to do so in 2018. Our 2018 anticipated capital expenditure budget of approximately $140 to $160 million represents an increase of approximately 107% over our 2017 capital expenditures, including the successor and predecessor periods, of approximately $73 million. Our 2019 anticipated capital expenditure budget is approximately $210 to $230 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 and 2019 capital programs exclusively with our levered free cash flow. We expect to:

- employ:
  - three drilling rigs in California for the remainder of 2018;
  - one additional drilling rig assigned to drilling opportunities in Utah in the second half of 2018; and
  - an average of four rigs in California in 2019; and
- drill approximately 180 to 190 gross development wells in 2018, of which we expect at least 175 will be in California, and 430 to 490 gross development wells in 2019, all of which we expect will be in California.

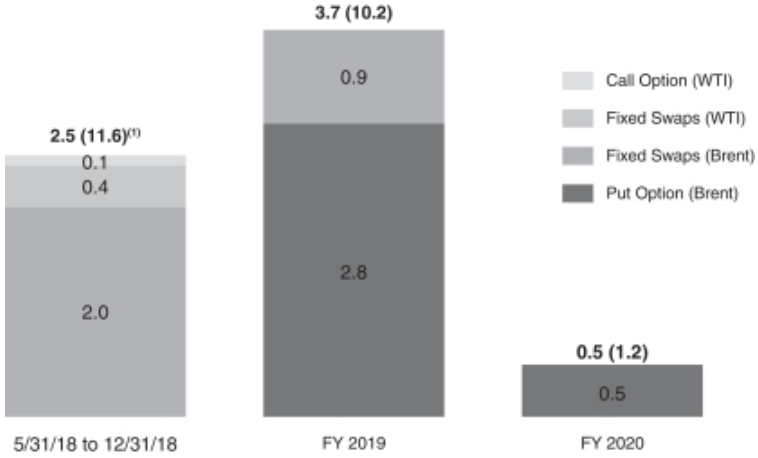
The amount and timing of these capital expenditures is within our control and subject to our management’s discretion. We retain the flexibility to defer a portion of these planned capital expenditures depending on a variety of factors, including but not limited to the success of our drilling activities, 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, and we target covering our operating expenses and fixed charges two years out. 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 May 31, 2018.

Hedge Volumes in MMBbls (MBbl/d)



	Weighted Average Prices		
Fixed Swap—WTI	$52.04	$ —	$ —
Fixed Swap—Brent	74.43	75.66	—
Call Option—WTI	55.00	—	—
Put Option—Brent(2)	—	65.00	65.00
Total	$70.29	$67.57	$65.00
Brent (31-May-2018)	$76.88	$73.75	$69.15

(1) Calculations based on 214 days as of May 31, 2018.
(2) Excludes deferred premium.

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 and has been one of the most productive oil and natural gas regions in the world.

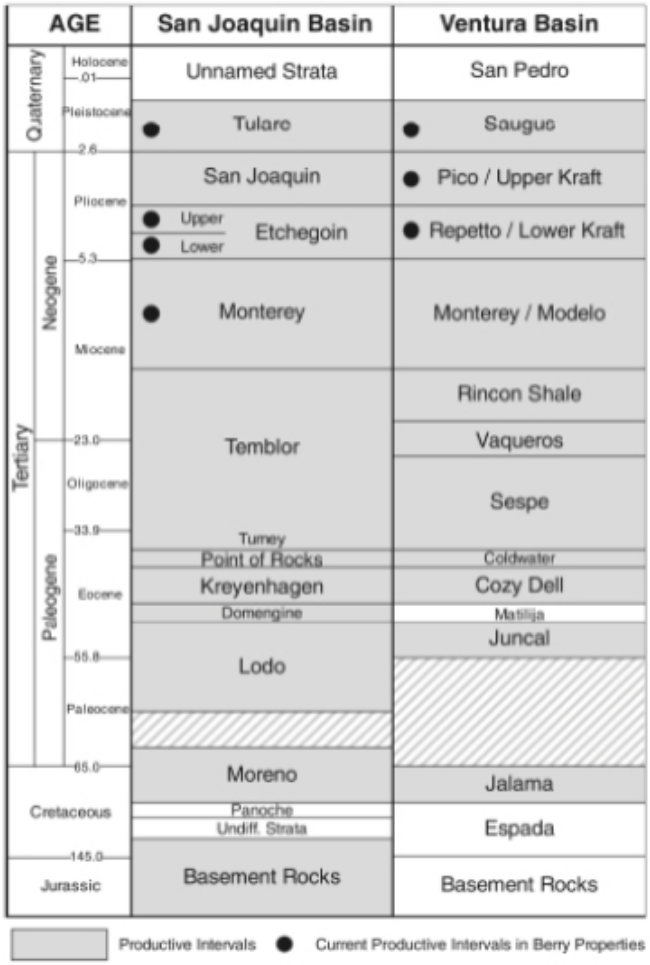
Our California operating area consists of properties located in the Midway-Sunset, South Belridge, McKittrick and Poso Creek fields in the San Joaquin basin in Kern County as well as the Placerita Field in the Ventura basin in Los Angeles County. The producing areas in our Southeast San Joaquin operations 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; (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 known reservoirs. Our California proved reserves represented approximately 66% of our total proved reserves at December 31, 2017 and accounted for 18.8 MBoe/d, or 72%, of our actual average daily production for the three months ended March 31, 2018.

According to the Division of Oil, Gas, and Geothermal Resources of the California Department of Conservation (“DOGGR”), approximately 81% of California’s daily oil production for 2016 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 and Ventura basins consisting of IOR and EOR project types. We currently hold approximately 7,945 net acres in the San Joaquin and Ventura basins 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 more than doubled from 36 MBbl/d in 2003 to 93 MBbl/d in 2017. Approximately 82% of Utah's production in 2017 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 identified gross vertical drilling locations and additional behind pipe potential, with significant upside for additional vertical and horizontal development and recompletions on existing acreage. For a discussion of how we identify drilling locations, please see "—Our Reserves and Production Information—Determination of Identified Drilling Locations." 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 consisting 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 December 31, 2017 and accounted for 5.0 MBoe/d, or 19%, of our average daily production for the three months ended March 31, 2018.

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.

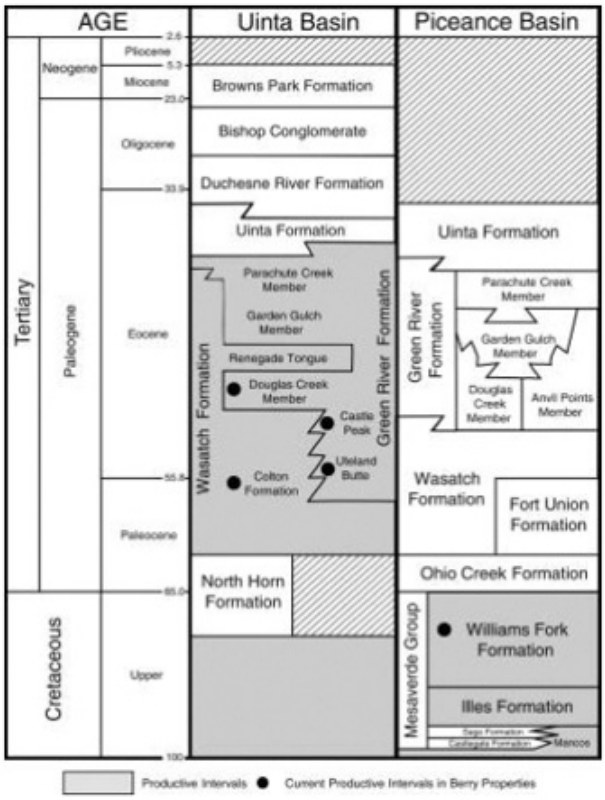
Our primary operating areas in the Piceance basin are Garden Gulch and North Parachute where we target the Williams Fork formation of the Mesaverde Group and produce at depths ranging from 7,500 feet to 12,500 feet. In addition to more than 800 identified gross drilling locations and a proven slick water 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 slick water completion method to move reserves from undeveloped to producing. Our Piceance basin proved reserves represented approximately 21% of our total proved reserves at December 31, 2017 and accounted for 1.6 MBoe/d, or 6%, of our average daily production for the three months ended March 31, 2018.

In addition to the more than 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

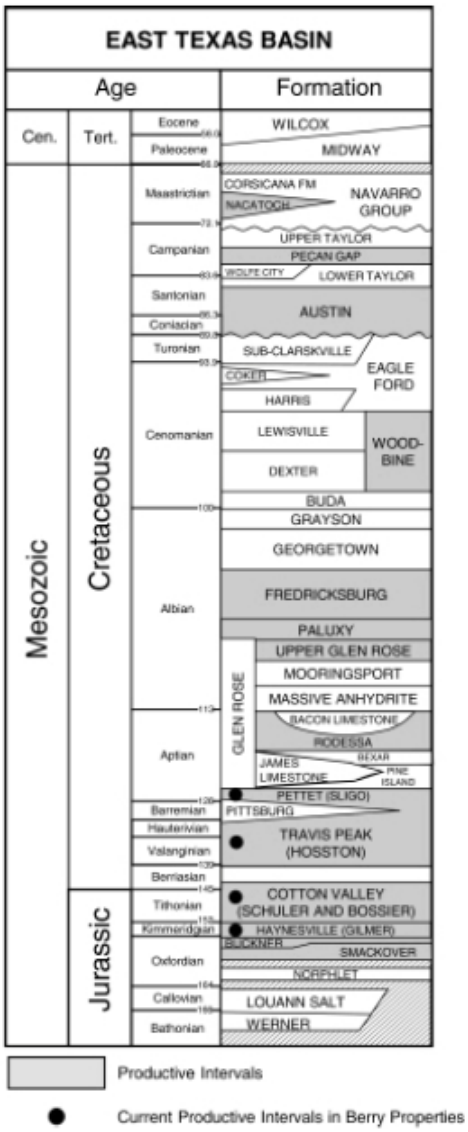
The East Texas basin is part of the larger Jurassic to Cretaceous age East Texas—North Louisiana Salt basin that extends across north eastern Texas into northwestern Louisiana. The basin marks the northern limit of Jurassic salt deposition in the larger Gulf of Mexico province. Drilling began in the 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 December 31, 2017 and accounted for 0.8 MBoe/d, or 3%, of our average daily production for the three months ended March 31, 2018.

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.



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 March 31, 2018, our total gross average production from thermal recovery projects was 18.0 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 March 31, 2018, we were injecting over 144,000 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 147,000 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 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 “proppantless stimulation” to stimulate the reservoir with water and no proppant. In 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 compression facilities we operate. Approximately 90% 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 March 31, 2018, 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. The recent success of a tight oil play in the basin has increased supply and put downward pressure on physical oil prices. Due to these circumstances, we are endeavoring to sell our crude to markets outside the basin. 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 March 31, 2018, 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 electrical generation capacity of three of our five cogeneration facilities, which are centrally located on certain of our oil producing properties, is approximately 90 MW. Our other two, and newest, cogeneration facilities came on line in the third quarter of 2017 with a capacity of approximately 10 MW. 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 with one facility being run at a time and the other as 100% backup. For more information, see “Risk

Factors—Risks Related to Our Business and Industry—We are dependent on our cogeneration facilities to produce steam for our operations. Viable contracts for the sale of surplus electricity, economic market prices and regulatory conditions affect the economic value of these facilities to our operations."

The following table sets forth information regarding our cogeneration facilities and contracts for the three months ended March 31, 2018:

Facility	Type of Contract	Purchaser	Contract Expiration	Approximate MW Available for Sale	Approximate MW Consumed in Operations	Approximate Barrels of Steam Per Day for the three months ended March 31, 2018
Cogen 18	PURPA	PG&E	Sept. 2019	10.9	5.7	6,479
Cogen 42	RFO	Edison	June 2021	26.6	2.5	9,667
Cogen 38	RFO	Edison	June 2022	35.3	0.7	13,557
21Z Cogen	N/A	N/A	N/A	N/A	2.9	1,867
Pan Fee Cogen	N/A	N/A	N/A	N/A	1.6(1)	796(1)

(1) Pan Fee Cogen is used as the 100% backup to 21Z Cogen. When 21Z Cogen is not running, the electricity generation and steam are produced at the Pan Fee Facility.

Principal Customers

For the ten months ended December 31, 2017, Andeavor, Phillips 66 and Kern Oil & Refining accounted for approximately 37%, 34% and 15%, respectively, of our oil, natural gas and NGL sales. For the two months ended February 28, 2017, sales of oil, natural gas and NGLs to Andeavor and Phillips 66 accounted for approximately 36% and 31%, respectively, of our sales. For the year ended December 31, 2016, Andeavor and Phillips 66 accounted for approximately 34% and 28%, respectively, of our oil, natural gas and NGL sales. For the years ended December 31, 2017, including the successor and predecessor periods, and 2016, 100% of electricity sales were attributable to PG&E and Edison.

At March 31, 2018, trade accounts receivable from two customers represented approximately 45% and 32% of our receivables. At December 31, 2017, trade accounts receivable from two customers represented approximately 35% and 26% of our receivables. At December 31, 2016, trade accounts receivable from two customers represented approximately 29% and 21% 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 using SEC Pricing as of December 31, 2017 and Strip Pricing as of May 31, 2018. The reserve estimates presented in the table below are based on reports prepared by DeGolyer and MacNaughton. The SEC Pricing reserve estimates were prepared in accordance with current SEC rules and regulations regarding oil, natural gas and NGL reserve reporting and Strip Pricing data was prepared using closing month futures prices as reported on the ICE (Brent) for oil and NGLs and NYMEX Henry Hub for natural gas on May 31, 2018. Reserves are stated net of applicable royalties.

	SEC Pricing as of December 31, 2017(1)					Strip Pricing as of May 31, 2018(2)				
	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total
Proved developed reserves:										
Oil (MMBbl)	61	7	—	—	68	63	7	—	—	70
Natural Gas (Bcf)	—	47	42	12	100	—	41	17	9	67
NGLs (MMBbl)	—	1	—	—	1	—	1	—	—	1
Total (MMBoe)(3)(4)	61	16	7	2	86	63	15	3	2	82
Proved undeveloped reserves(6):										
Oil (MMBbl)	32	—	—	—	32	32	—	—	—	32
Natural Gas (Bcf)	—	—	137	—	137	—	—	—	—	—
NGLs (MMBbl)	—	—	—	—	—	—	—	—	—	—
Total (MMBoe)(4)	32	—	23	—	55	32	—	—	—	32
Total proved reserves:										
Oil (MMBbl)	93	7	—	—	101	95	7	—	—	102
Natural Gas (Bcf)	—	47	179	12	237	—	41	17	9	67
NGLs (MMBbl)	—	1	—	—	1	—	1	—	—	1
Total (MMBoe)(4)	93	16	30	2	141	95	15	3	2	115
PV-10 ($MM)(5)	998	84	24	7	1,114	1,762	91	4	5	1,862

(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 $54.42 per Bbl ICE (Brent) for oil and NGLs and $2.98 per MMBtu NYMEX Henry Hub for natural gas at December 31, 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 and directly affect our results.”

(2) Our estimated net proved Strip Pricing reserves were prepared on the same basis as our SEC reserves, except for the use of pricing based on closing monthly futures prices as reported on the ICE (Brent) for oil and NGLs and NYMEX Henry Hub for natural gas on May 31, 2018.

Our Strip Pricing oil, natural gas and NGL reserves were determined using index prices for natural gas and oil, respectively, as of May 31, 2018 without giving effect to derivative transactions. The average future prices for benchmark commodities used in determining our Strip Pricing reserves were $74.59 per Bbl for oil and NGLs for 2018, $72.98 for 2019, $69.15 for 2020 and $66.49 for 2021 thereafter, on the ICE (Brent), and $2.94 per Mcf for natural gas for 2018, $2.75 for 2019, $2.68 for 2020 and $2.66 for 2021 thereafter, on the NYMEX Henry Hub. NGL pricing used in determining our Strip Pricing reserves was approximately 36% of future crude oil prices. Also, we have taken into account pricing differentials reflective of the current market environment.

We believe that the use of forward prices provides investors with additional useful information about our reserves, as the forward prices are based on the market's forward-looking expectations of oil and natural gas prices as of a certain date. Strip Pricing futures prices are not necessarily an accurate projection of future oil and gas prices. Investors should be careful to consider forward prices in addition to, and not as a substitute for, SEC prices, when considering our oil and natural gas reserves.

The decrease in reserve volumes using Strip Pricing as opposed to SEC Pricing is primarily the result of lower realized gas prices in Colorado using Strip Pricing as of May 31, 2018.

(3) 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.

(4) 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 year ended December 31, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $54.82 per Bbl and $3.11 per Mcf, respectively, resulting in an oil-to-gas ratio of over 17 to 1.

(5) For a definition of PV-10 and a reconciliation to the standardized measure of discounted future net cash flows, please see "—PV-10." PV-10 does not give effect to derivatives transactions.

(6) Using SEC Pricing as of December 31, 2017, there were approximately 23 MMBoe of PUDs associated with projects in the Piceance basin. Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude these Piceance locations.

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.

The following table provides a reconciliation of PV-10 of our proved reserves to the standardized measure of discounted future net cash flows using SEC Pricing at December 31, 2017 (in millions):

	At December 31, 2017
PV-10	1,114
Less: present value of future income taxes discounted at 10%	(137)
Standardized measure of discounted future net cash flows	977

GAAP does not prescribe any corresponding measure for PV-10 of reserves as of an interim date or on any basis other than SEC prices. As a result, it is not practicable for us to reconcile PV-10 using Strip Pricing as of May 31, 2018 to GAAP standardized measure.

Proved Undeveloped Reserves Additions

From December 31, 2016 to December 31, 2017, we had proved undeveloped reserve additions of 41 MMBoe from extensions and discoveries. At 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 December 31, 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	—	—	41
Purchases (MMBoe)(1)	13	—	—	—	—	13
Sales (MMBoe)(1)	—	—	—	—	—	—
Ending balance as of December 31, 2017 (MMBoe)(1)	31	—	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 year ended December 31, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $54.82 per Bbl and $3.11 per Mcf, respectively, resulting in an oil-to-gas ratio of over 17 to 1.

Extensions and Discoveries

Through 2017 we added 41 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, and presented to our board of directors. Within DeGolyer and MacNaughton, the technical person primarily responsible for reviewing our reserves estimates was Gregory K. Graves, P.E. Mr. Graves is a Registered Professional Engineer in the State of Texas (License No. 70734), is a member of both the Society of Petroleum Engineers and the Society of Petroleum Evaluation Engineers and has in excess of 33 years of experience in oil and gas reservoir studies and reserves evaluations. Mr. Graves graduated from the University of Texas at Austin in 1984 with a Bachelor of Science degree in Petroleum Engineering.

We have not filed reserve estimates with any federal authority or agency other than the SEC.

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 December 31, 2017, we have approximately 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 our 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 PUD locations as of December 31, 2017 and total identified drilling locations as of March 31, 2018.

	PUD Locations (Gross)		Total Identified Drilling Locations (Gross)(2)	
	Oil and Natural Gas Wells	Injection Wells	Oil and Natural Gas Wells	Injection Wells
San Joaquin and Ventura basins	549	161	3,831	1,027
Uinta basin	—	—	1,245	—
Piceance basin(1)	80	—	870	—
East Texas basin	—	—	80	—
Total Identified Drilling Locations	629	161	6,026	1,027

(1) Subsequent to year end, as a result of increasingly negative local gas pricing differentials, we revised our current development plan to exclude these Piceance locations.

(2) Includes 3,397 Tier 1 gross drilling locations that we anticipate drilling over the next 5 to 10 years and 3,656 additional gross drilling locations that are currently under review.

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 year ended December 31, 2016, the two months ended February 28, 2017, the one month ended March 31, 2017, the ten months ended December 31, 2017 and the three months ended March 31, 2018 and (ii) on a pro forma basis for the year ended December 31, 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, 2017, 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(4)	Berry Corp. (Successor)			Berry LLC (Predecessor)	
	Year Ended December 31, 2017	Three Months Ended March 31, 2018	Ten Months Ended December 31, 2017	One Month Ended March 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Production Data:						
Oil (MBbl/d)	20.5	21.1	20.6	18.9	19.5	23.1
Natural gas (MMcf/d)	31.2	27.6	49.4	71.7	71.7	78.1
NGLs (MBbl/d)	0.6	0.5	2.0	3.6	5.2	3.6
Average daily combined production (MBoe/d)(1)	26.3	26.2	30.9	34.5	36.6	39.7
Oil (MBbl)	7,471	1,897	6,318	586	1,153	8,463
Natural gas (MMcf)	11,382	2,481	15,119	2,221	4,232	28,577
NGLs (MBbl)	216	45	605	112	304	1,307
Total combined production (MBoe)(1)	9,584	2,356	9,443	1,068	2,162	14,533
Weighted average realized prices:						
Oil with hedges (per Bbl)	$ 48.37	$ 52.74	$ 48.53	$ 46.46	$ 47.40	$ 36.88
Oil without hedges (per Bbl)	$ 47.89	$ 62.14	$ 48.05	$ 44.54	$ 46.94	$ 35.83
Natural gas (per Mcf)	$ 2.82	$ 2.64	$ 2.70	$ 2.45	$ 3.42	$ 2.31
NGLs (per Bbl)	$ 20.00	$ 25.56	$ 22.23	$ 19.03	$ 18.20	$ 17.67
Average Benchmark prices:						
ICE (Brent) oil ($/Bbl)	$ 54.82	$ 67.16	$ 54.65	$ 52.54	$ 55.72	$ 45.00
NYMEX (WTI) oil ($/Bbl)	$ 50.95	$ 62.87	$ 50.53	$ 49.67	$ 53.04	$ 43.32
NYMEX Henry Hub natural gas ($/Mcf)	$ 3.11	$ 3.00	$ 3.00	$ 2.63	$ 3.66	$ 2.46
Average costs per Boe(2):						
Lease operating expenses	$ 17.92	$ 18.80	$ 15.84	$ 12.23	$ 13.06	$ 12.73
Electricity generation expenses	$ 1.89	$ 1.94	$ 1.58	$ 1.07	$ 1.48	$ 1.18
Electricity sales	$ (2.67)	$ (2.31)	$ (2.33)	$ (0.83)	$ (1.69)	$ (1.60)
Transportation expenses	$ 1.61	$ 1.26	$ 2.04	$ 3.42	$ 2.86	$ 2.86
Marketing expenses	$ 0.31	$ 0.25	$ 0.25	$ 0.25	$ 0.30	$ 0.21
Marketing revenues	$ (0.35)	$ (0.33)	$ (0.29)	$ (0.26)	$ (0.29)	$ (0.25)
Total operating expenses	$ 18.71	$ 19.61	$ 17.09	$ 15.88	$ 15.72	$ 15.13
Taxes, other than income taxes	$ 3.61	$ 3.50	$ 3.62	$ 2.88	$ 2.41	$ 1.73
General and Administrative Expenses(3)	$ 6.54	$ 5.09	$ 5.93	$ 8.94	$ 3.68	$ 5.45
Depreciation, depletion and amortization	$ 7.91	$ 7.82	$ 7.25	$ 6.57	$ 13.02	$ 12.26

(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 year ended December 31, 2017, the average

prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $54.82 per Bbl and $3.11 per Mcf, respectively, resulting in an oil-to-gas ratio of over 17 to 1.

(2) We report electricity, transportation 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. Transportation sales relate to water and other liquids that we transport on our systems on behalf of third parties and have not been significant to-date.

(3) Includes non-recurring restructuring and other costs and non-cash stock compensation expense of approximately $1.30/Boe for the three months ended March 31, 2018, $2.77/Boe for the pro forma year ended December 31, 2017, $3.40/Boe for the ten months ended December 31, 2017 and $7.11/Boe for the one month ended March 31, 2017.

(4) Does not include the effects of the Hill Acquisition. We estimate that the additional production associated with the Hill Acquisition for the year ended December 31, 2017 was approximately 633,000 Boe or 1,734 Boe/d.

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

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Hugoton basin Field(1)			
Total production:			
Oil (MBbls)	*	*	—
Natural gas (Bcf)	*	*	14.6
NGL (MBbls)	*	*	1,020
Total (MBoe)(2)	*	*	3,457

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
SJV South Midway Field			
Total production:			
Oil (MBbls)	1,963	369	2,477
Natural gas (Bcf)	—	—	—
NGL (MBbls)	—	—	—
Total (MBoe)(2)	1,963	369	2,477

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
SJV Belridge Hill			
Total production:			
Oil (MBbls)	609	35	*
Natural gas (Bcf)	—	—	*
NGL (MBbls)	—	—	*
Total (MBoe)(2)	609	35	*

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Piceance			
Total production:			
Oil (MBbls)	14	2	*
Natural gas (Bcf)	3.6	0.8	*
NGL (MBbls)	—	—	*
Total (MBoe)(1)	610	138	*

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

(1) On July 31, 2017, we sold our approximately 78% non-operated working interest in the Hugoton natural gas field. No production data is available for periods following the disposition.

(2) 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 year ended December 31, 2017, the average prices of ICE (Brent) oil and NYMEX Henry Hub natural gas were $54.82 per Bbl and $3.11 per Mcf, respectively, resulting in an oil-to-gas ratio of over 17 to 1.

Productive Wells

As of December 31, 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 December 31, 2017.

	San Joaquin and Ventura basins	Uinta basin	Piceance basin	East Texas basin	Total
Oil					
Gross(1)	2,600	909	—	—	3,509
Net(2)	2,572	865	—	—	3,437
Gas					
Gross(1)	—	—	170	116	286
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 December 31, 2017. Approximately 76% of our leased acreage was held by production at December 31, 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	69,530	6,780	4,533	88,708
Undeveloped(4)					
Gross(2)	80	49,357	1,293	—	50,730
Net(3)	80	29,274	1,228	—	30,582

(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 December 31, 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 December 31, 2017, we were participating in 14 steamflood and waterflood pressure maintenance projects. Twelve steamflood projects and one waterflood project were 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
2017					
Oil	124(1)(2)	—	—	—	124(1)(2)
Natural Gas	—	—	—	—	—
Dry	—	—	—	—	—
2016					
Oil	11(1)	—	—	—	11(1)
Natural Gas	—	—	—	—	—
Dry	—	—	—	—	—

(1) Includes injector wells.
(2) Includes 23 drilled uncompleted wells and 8 wells that had not yet been connected to gathering systems.

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 December 31, 2017, 17,539 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 non-operated 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:

- Establish air, soil and water quality standards for a given region, such as the San Joaquin Valley, and attainment plans to meet those regional standards, which may significantly restrict development, economic activity and transportation in the region;
- require the acquisition of various permits before drilling, workover production, underground fluid injection, enhanced oil recovery methods, or waste disposal commences;
- require notice to stakeholders of proposed and ongoing operations;
- require the installation of expensive safety and pollution control equipment—such as leak detection, monitoring and control systems—to prevent or reduce the release or discharge of regulated materials into the air, land, surface water or groundwater;
- restrict the types, quantities and concentration of various regulated materials, including oil, natural gas, produced water or wastes, that can be released into the environment in connection with drilling and production activities, and impose energy efficiency or renewable energy standards on us or users of our products and services;
- limit or prohibit drilling activities on lands located within coastal, wilderness, wetlands, groundwater recharge or endangered species inhabited areas, and other protected areas, or otherwise restrict or prohibit activities that could impact the environment, including water resources, and require the dedication of surface acreage for habitat conservation;
- establish waste management standards or require remedial measures to limit pollution from former operations, such as pit closure, reclamation and plugging and abandonment of wells or decommissioning of facilities;
- impose substantial liabilities for pollution resulting from operations or for preexisting environmental conditions on our current or former properties and operations and other locations where such materials generated by us or our predecessors were released or discharged;
- require comprehensive environmental analyses, recordkeeping and reports with respect to operations affecting federal, state, and private lands or leases, including 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, 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 was to ensure that wastewater is not injected into formations that could be a future source of drinking water supply. In 2015, the state set deadlines to obtain EPA’s confirmation of aquifer exemptions under the SDWA in certain formations in certain fields. Several industry groups challenged DOGGR’s implementation of its aquifer exemption regulations, and, in March 2017, the Kern County Superior Court issued an injunction barring the

blanket enforcements of DOGGR's aquifer exemption regulations. The court held that DOGGR must show that an underground injection well's operations have caused an actual harm and go through a hearing process before the agency can issue fines or shut down operations.

In addition, DOGGR has announced that it plans to issue new underground injection regulations in 2018. Discussion drafts of the potential rules state that DOGGR intends to implement additional requirements related to injection approvals, project data requirements, mechanical integrity testing of injection wells, monitoring requirements, prevention of surface expressions, incident response, and monitoring seismic activity. To date, the restrictions have not affected our oil and natural gas production in any material way. Separately, the state began a review in 2015 of permitted surface discharge of produced water, which led to additional permitting requirements in 2017 for surface discharge of produced water. Government authorities may ultimately restrict injection of produced water or other fluids in additional formations or certain wells, restrict the surface discharge or use of produced water or take other administrative actions. The foregoing reviews could also give rise to litigation with government authorities and third parties.

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, or the reinterpretation of existing 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, although future implementation of this rule as it applies to existing power plants is uncertain at this time due to ongoing litigation and reconsideration of the rule by the current administration.

The EPA and the California Air Resources Board ("CARB") have also expanded direct regulation of methane emissions. 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. However, over the past year the EPA has taken several steps to delay implementation of the June 2016 methane rule, and the agency proposed a separate rulemaking in June 2017 to stay the methane requirements for a period of two years and revisit implementation of the standards in their entirety. Also, in March 2018 EPA finalized several amendments to the 2016 rule, including rolling back a requirement to repair leaking components during unplanned or emergency shutdowns. Separately, the U.S. Bureau of Land Management ("BLM") previously finalized similar limitations on methane emissions from venting and flaring and leaking equipment from oil and natural gas activities on public lands, but proposed to repeal those standards in February 2018. Several states have announced their intent to file judicial challenges against any attempt to repeal the BLM methane rules. As a result, future implementation of both the EPA and BLM methane rules is uncertain at this time.

Additionally, CARB has promulgated regulations regarding monitoring, leak detection, repair and reporting of methane emissions from both existing and new oil and gas production, pipeline gathering and boosting station assets, and natural gas processing plant operations beginning in 2018 and additional controls such as vapor recovery to capture methane emissions in subsequent years. Colorado has also imposed similar regulations governing methane emissions that could impact our operations in the Piceance basin.

Legislation and regulation to address climate change could also increase the cost of consuming, and thereby reduce demand for, oil, natural gas and other products produced by us, and potentially lower the value of our

reserves. Recently, activists concerned about the potential effects of climate change have directed their attention at sources of funding for fossil-fuel energy companies, which has resulted in certain financial institutions, funds and other sources of capital restricting or eliminating their investment in oil and natural gas activities. Ultimately, this could make it more difficult to secure funding for exploration and production activities. In addition, several municipalities in California have filed tort lawsuits in California state court against numerous fossil fuel energy companies to address concerns such as coastal erosion and other alleged climate-related damage. Similarly, two counties in Colorado have filed suit against several fossil fuel energy companies, alleging climate-related damages.

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. The United States' adherence to the exit process is uncertain at this time. There has not been significant activity in the form of adopted legislation to reduce GHG emissions at the federal level in recent years. In the absence of such federal climate legislation, 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, droughts, floods and other climatic events; if any such effects were to occur, they could have a material adverse effect on our operations. 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. The state has also established a low carbon fuel standard that encourages the use of fuels with lower carbon intensities instead of traditional fossil fuels. 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, the EPA has asserted federal regulatory authority pursuant to the federal SDWA over certain hydraulic fracturing activities involving the use of diesel fuels and published permitting guidance in February 2014 addressing the performance of such activities using diesel fuels. The EPA has issued final regulations under the federal Clean Air Act establishing performance standards, including standards for the capture of air emissions released during hydraulic fracturing, and also finalized rules in June 2016 that prohibit the discharge of wastewater from hydraulic fracturing operations to publicly owned wastewater treatment plants. Further, in March 2015, the 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. On December 29, 2017 the BLM formally rescinded the 2015 rule governing hydraulic fracturing operations on public and tribal lands. The 2015 rule included a comprehensive set of well-bore integrity requirements, standards for the interim storage of recovered waste fluids, mandatory notifications and waiting periods for key parts of the fracturing process, and chemical disclosure requirements. On January 24, 2018, California and a coalition of environmental and tribal groups each filed lawsuits in the Northern District of California to challenge BLM’s rescission of the 2015 rule. If the rule is reinstated, the outcome of this litigation could materially impact our operations in the Unita basin and other areas. 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 December 2016, the EPA and several environmental groups entered into a consent decree to address EPA's alleged failure to timely assess its RCRA Subtitle D criteria regulations exempting certain exploration and production related oil and gas wastes from regulation as a hazardous waste under RCRA. The consent decree requires EPA to propose a rulemaking no later than March 15, 2019 for revision of certain Subtitle D criteria regulations pertaining to oil and gas wastes or to sign a determination that revision of the regulations is not necessary. Were the EPA to propose a rulemaking, the consent decree requires that EPA take final action by no later than July 15, 2021. A loss of the RCRA exclusion for drilling fluids, produced waters and related wastes could result in an increase in the costs to manage and dispose of generated wastes.

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. The U.S. Fish and Wildlife Service agreed to complete the review by the end of the agency's 2017 fiscal year. The agency missed the deadline but continues to review species for listing under the ESA. Similar protections are offered to migratory birds under the Migratory Bird Treaty Act. The federal government in the past has pursued enforcement actions against oil and natural gas companies under the Migratory Bird Treaty Act after dead migratory birds were found near reserve pits associated with drilling activities. However, in December 2017, the Department of Interior issued a new opinion revoking its prior enforcement policy and concluded that an incidental take is not a violation of the Migratory Bird Treaty Act. Various environmental groups have filed lawsuits challenging this opinion. The ESA has not previously had a significant impact on our operations. Nevertheless, 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. If a portion of any area where we operate were to be designated as a critical or suitable habitat, it could adversely impact the value of our assets.

Air Emissions

The CAA and comparable state laws restrict the emission of air pollutants from many sources (e.g., compressor stations), through the imposition of air emission standards, construction and operating permitting programs and other compliance requirements. These laws and regulations may require us to obtain pre-approval for the construction or modification of projects or facilities expected to produce or significantly increase air emissions, obtain and strictly comply with stringent air permit requirements or utilize specific equipment or technologies to control emissions of certain pollutants. For example, in October 2015, the EPA lowered the National Ambient Air Quality Standard ("NAAQS") for ozone from 75 to 70 parts per billion. In November 2017, the EPA published a list of areas that are in compliance with the new ozone standard, and separately, in December 2017, issued responses to state recommendations for designating non-attainment areas. In April 2018, the EPA issued final attainment status designations for most of the remaining portions of the United States.

State implementation of the revised NAAQS could result in stricter permitting requirements, delay or prohibit our ability to obtain such permits, and result in increased expenditures for pollution control equipment, the costs of which could be significant. Over the next several years we may be required to incur certain capital expenditures for air pollution control equipment or other air emissions related issues. In addition, the EPA has adopted new rules under the CAA that require the reduction of volatile organic compound and methane emissions from certain fractured and refractured oil and natural gas wells for which well completion operations are conducted and further require that most wells use reduced emission completions, also known as "green completions." These regulations also establish specific new requirements regarding emissions from production-related wet seal and reciprocating compressors, and from pneumatic controllers and storage vessels.

In addition, the regulations place new requirements to detect and repair volatile organic compound and methane at certain well sites and compressor stations. In May 2016, the EPA also 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 processes and requirements. 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 the 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, (“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. The process for obtaining permits has the potential to delay our operations. SPCC plans and other federal requirements require appropriate containment berms and similar structures to help prevent the contamination of navigable waters by a petroleum hydrocarbon tank spill, rupture or leak. Also, in June 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.

In August 2015, the EPA and U.S. Army Corps of Engineers issued a rule expanding the scope of the federal jurisdiction over wetlands and other types of waters (the “Clean Water Rule”). Currently, the Clean Water Rule and the scope of federal jurisdiction under the CWA are the subject of several legal challenges. The Clean Water Rule has been stayed until February 6, 2020 while both agencies reconsider the rule. To the extent that these recent developments expand the range of properties subject to the CWA’s jurisdiction, we could face increased costs and delays with respect to obtaining dredge and fill activity permits in wetland areas, which could materially impact our operations in the San Joaquin basin and other areas.

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 of 1970 ("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, 2017, including successor and predecessor periods, 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 2018 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 and Fresh-Start Accounting" 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 December 31, 2017, we had 278 employees. Prior to our emergence from bankruptcy, the employees of Linn Operating, Inc. ("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 June 29, 2018:

Name	Age	Position
Arthur T. “Trem” Smith	63	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	57	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 in Finance and Accounting 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 and investor relations areas and in 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 June 29, 2018:

Name	Age	Position
Arthur T. "Trem" Smith	63	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)
Kaj Vazales	39	Director
Eugene "Gene" Voiland	71	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 bring 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.

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. He also maintains Voiland Enterprises LLC, an independent management consulting firm that he has used for periodic endeavors since 2007. 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.

Board Composition and Director Independence

Pursuant to the Plan, on the Effective Date, we entered into a stockholders agreement with members of an ad hoc group of holders of our Unsecured Notes (the "Ad Hoc Committee"), which we plan to amend and restate in connection with this offering (as amended and restated, the "Stockholders Agreement"). Under the Stockholders Agreement, we will be required to take all necessary action to cause the following three individuals to be nominated for election as directors of Berry Corp.:

- the individual then serving as Chief Executive Officer of Berry Corp.;
- one individual designated by Benefit Street Partners (for so long as Benefit Street Partners beneficially owns at least ten percent of our common stock); and
- one individual designated by Oaktree Capital Management (for so long as Oaktree Capital Management beneficially owns at least ten percent of our common stock).

Benefit Street Partners and Oaktree Capital Management also have the right to designate directors to fill vacancies created by the resignation or removal of their designees. See "Description of Capital Stock—Stockholders Agreement." The designee of Benefit Street Partners is currently Brent S. Buckley. The designee of Oaktree Capital Management is currently Kaj Vazales.

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 Stockholders Agreement will terminate automatically on February 28, 2020. 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 NASDAQ the and the SEC require us to have an audit committee composed of at least three directors who meet the independence and experience standards established by the NASDAQ and the Exchange Act, subject to transitional relief during the one-year period following the completion of this offering. We have established an audit committee and expect Brent S. Buckley, Eugene Voiland and Kaj Vazales to 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. We expect that Messrs. Buckley and Voiland 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 NASDAQ listing standards.

Compensation Committee

We have established a compensation committee that consists of Kaj Vazales, Brent S. Buckley and Eugene Voiland each of whom we expect to be independent under the rules of the SEC, Sarbanes-Oxley Act of 2002 and the NASDAQ. This committee establishes salaries, incentives and other forms of compensation for officers and other employees and recommends compensation for non-employee directors to our board. 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 NASDAQ or market standards.

Nominating and Corporate Governance Committee

We expect to establish a nominating and corporate governance committee some time following 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 NASDAQ 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 NASDAQ 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 NASDAQ. 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 NASDAQ.

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. As such, we are subject to reduced compensation disclosure requirements. 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 (our "Named Executive Officers"). In accordance with the foregoing, our named executive officers are:

Name	Principal Position
Arthur T. "Trem" Smith	Chief Executive Officer
Cary D. Baetz	Chief Financial Officer
Gary A. Grove	Chief Operating Officer

2017 Summary Compensation Table

The following table summarizes the compensation earned by our Named Executive Officers for services rendered during the fiscal year ended December 31, 2017.

Name and Principal Position	Year	Salary ($)	Stock Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)(2)	All Other Compensation ($)(3)	Total ($)
Arthur T. "Trem" Smith *Chief Executive Officer*	2017	532,502(4)	3,432,000	964,000	36,842	4,965,344
Cary D. Baetz *Chief Financial Officer*	2017	257,692	2,584,500	472,000	5,730	3,319,422
Gary A. Grove *Chief Operating Officer*	2017	237,115	2,326,050	433,000	14,227	3,009,342

(1) Amounts reported in the "Stock Awards" column reflect the aggregate grant date fair value, computed in accordance with FASB ASC Topic 718, of the awards of RSUs and PRSUs made to each Named Executive Officer during fiscal year 2017, excluding the effect of estimated forfeitures. The grant date value of the RSUs was calculated by multiplying the number of RSUs granted by the value of a share of our common stock on the grant date, which was approximately $10.12. The grant date value of the PRSUs was calculated using a Monte Carlo Simulation Model, which resulted in a grant date value per PRSU of $7.04 for Mr. Smith and $7.11 for each of Messrs. Baetz and Grove. For additional information regarding the assumptions underlying this valuation please see Note 8 to our financial statements for the ten months ended December 31, 2017 and the two months ended February 28, 2017. See "—Narrative Disclosure to Summary Compensation Table—Long-Term Incentive Compensation" for additional information regarding these awards.

(2) Amounts represent awards under the Berry Petroleum Company, LLC Annual Incentive Plan for services provided in fiscal 2017. See "—Narrative Disclosure to Summary Compensation Table—Annual Incentive Plan" for additional information regarding these awards.

(3) Amounts reported in the "All Other Compensation" column include company matching contributions to the Named Executive Officers' 401(k) plan accounts, mobile phone reimbursements and the California tax reimbursements, which are described in "—Narrative Disclosure to Summary Compensation Table—Employment Agreements," as shown in the following table:

Named Executive Officer	Company 401(k) Plan Contributions ($)	Mobile Phone Reimbursements ($)	California Tax Reimbursements ($)	Total ($)
Arthur T. "Trem" Smith	16,200	749	19,893	36,842
Cary D. Baetz	—	—	5,730	5,730
Gary A. Grove	14,227	—	—	14,227

(4) Base salary does not include fees of $120,000 paid to Mr. Smith by the Linn Entities for his service as a consultant to Berry LLC prior to the Effective Date.

Narrative Disclosure to Summary Compensation Table

Employment Agreements

We entered into employment agreements with each of the Named Executive Officers in 2017. The employment agreements provide the Named Executive Officers with (a) an annualized base salary of $650,000 for Mr. Smith, $500,000 for Mr. Baetz and $450,000 for Mr. Grove, (b) an annual incentive opportunity (as described below in "—Annual Incentive Plan"), (c) a sign-on equity award with an aggregate grant date value of $4,000,000 for Mr. Smith, $3,000,000 for Mr. Baetz and $2,700,000 for Mr. Grove (as described below in "—Long-Term Incentive Compensation"), (d) beginning in March 2020 and subject to their continued employment, our board of directors' evaluation of their performance and then-current market compensation levels, eligibility to receive annual equity awards with an aggregate grant date value of (i) one times base salary and target bonus amount for Mr. Smith and (ii) one times base salary, for each of Messrs. Baetz and Grove, and (e) for Messrs. Smith and Baetz, a tax gross-up payment to the extent any of their compensation is subject to California state income taxes.

The employment agreements contain certain restrictive covenants, including non-competition and non-solicitation covenants that are applicable during the executive's term of employment, and following a termination of employment. In the case of Mr. Smith, such restrictive covenants would be applicable for a period of two years following a termination of employment. In the case of Messrs. Baetz and Grove, the duration of these restrictive covenants following a termination of employment may be either two years (upon a termination by the Company without "Cause" or by the executive for "Good Reason," in each case during the six-month period following a sale of the Company (as defined in the employment agreement)) or 18 months (for all other terminations). The employment agreements also include restrictions on disclosure of confidential information. The employment agreements also provide for certain severance and change in control benefits as described below in the section titled "—Additional Narrative Disclosure—Potential Payments Upon Termination or Change in Control."

Long-Term Incentive Compensation

On June 15, 2017, we adopted the Berry Petroleum Corporation 2017 Omnibus Incentive Plan (the "2017 Plan"), which has been amended and restated as described below in the section titled "—Actions Taken Following Fiscal Year End—Omnibus Incentive Plan." The 2017 Plan provides for the grant of stock options, restricted stock awards, performance awards, other stock-based awards and other cash-based awards to employees, advisors and consultants of ours and our affiliates. In 2017, we granted sign-on equity awards consisting of 50% RSUs and 50% PRSUs to each of the Named Executive Officers in the amounts provided for in their employment agreements based on a grant date value of $10.00 per share of our common stock, which reflected our board of directors' good faith estimate of the value of our common stock at the time the awards

were granted based on the value of shares received by certain holders of Unsecured Notes in the reorganization transactions upon our emergence from bankruptcy. The RSUs and PRSUs granted to the Named Executive Officers are described below in "—Outstanding Equity Awards at 2017 Fiscal Year-End." For information regarding the treatment of the awards upon a change in control or termination of employment, see "—Additional Narrative Disclosure—Potential Payments Upon Termination or Change in Control."

Annual Incentive Plan

Each of the Named Executive Officers is eligible to receive an annual award under the Berry Petroleum Company, LLC Annual Incentive Plan (the "AIP") of up to 100% of base salary at target level and 200% of base salary at maximum level. For 2017, the Named Executive Officers' annual award target was prorated based on the effective date of the applicable employment agreement.

Under the AIP as applied to the Named Executive Officers for 2017, performance was measured based 70% on Company performance and 30% on discretionary factors. The weighting of these components for the AIP awards may change in future years in the Compensation Committee's discretion. Company performance is based on various metrics including production, total operating expenditure (consisting of lease operating, electricity, transportation and marketing expenses and taxes, other than income taxes, but excluding incentive compensation costs) per barrel of oil equivalent, cash general and administrative expense (excluding restructuring and incentive compensation costs) and adjusted EBITDA (excluding restructuring and incentive compensation costs). The discretionary AIP component is measured based on the factors the Compensation Committee deems appropriate. The Named Executive Officers must generally be employed on the date the AIP payments are actually paid in order to receive payment.

The AIP payments for 2017 were paid in 2018 following a year-end review of the applicable performance criteria. The actual bonus amounts paid to each Named Executive Officer with respect to fiscal year 2017 are as follows:

Name	AIP Award Payout ($)
Mr. Smith	964,000
Mr. Baetz	472,000
Mr. Grove	433,000

Other Compensation Elements

We offer participation in a broad-based retirement plan intended to provide benefits under section 401(k) of the Code pursuant to which our employees, including our Named Executive Officers, are permitted to contribute a portion of their eligible compensation to a tax-qualified retirement account. We also provide discretionary matching contributions under the 401(k) plan currently equal to 100% of the first 6% of eligible compensation contributed to the 401(k) plan. All matching contributions are immediately vested.

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.

		Stock Awards	
Name	Grant Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)
Arthur T. “Trem” Smith	06/22/2017	200,000(1)	2,502,000(2)
	06/22/2017	200,000(3)	1,920,000(4)
Cary D. Baetz	06/29/2017	150,000(1)	1,876,500(2)
	06/29/2017	150,000(3)	1,440,000(4)
Gary A. Grove	06/29/2017	135,000(1)	1,688,850(2)
	06/29/2017	135,000(3)	1,296,000(4)

(1) Represents RSUs granted to our Named Executive Officers that were outstanding as of December 31, 2017. The RSUs vest one-third per year on the anniversary of the vesting commencement date. These dates were March 1, 2017 for Mr. Smith, June 20, 2017 for Mr. Baetz and June 15, 2017 for Mr. Grove. See “—Long-Term Incentive Compensation” for additional information regarding these awards.

(2) These amounts represent the aggregate market value of outstanding RSUs held by each Named Executive Officer on December 31, 2017 and are calculated by multiplying the number of RSUs outstanding on December 31, 2017 by the value of a share of our common stock on such date, which was approximately $12.51.

(3) Represents PRSUs granted to our Named Executive Officers that were outstanding as of December 31, 2017. The PRSUs have a performance period from the grant date of the awards to the third anniversary of such date. One-third of the PRSUs will vest if the volume weighted average price of our common stock equals or exceeds, for 30 consecutive trading days during the applicable performance period each of $13.00, $15.00 and $17.00, respectively. The PRSUs are settled within 30 days of the applicable performance condition being satisfied. See “—Long-Term Incentive Compensation” for additional information regarding these awards.

(4) These amounts represent the aggregate market value of outstanding PRSUs held by each Named Executive Officer on December 31, 2017 and are calculated using a Monte Carlo Simulation Model, which resulted in a value per PRSU as of such date of $9.60.

Additional Narrative Disclosure

Potential Payments Upon Termination or Change in Control

Termination of Employment

Under the employment agreements, if the applicable Named Executive Offer’s employment is terminated without “Cause” (and not due to death or disability), or by the Named Executive Officer for “Good Reason” (and, for Mr. Smith, if we elect not to renew his employment agreement), then each of the Named Executive Officers is eligible to receive salary continuation payments payable in 12 substantially equal monthly installments. The salary continuation payments for Mr. Smith are equal to the sum of one times base salary and the target AIP payment for the year in which termination occurs. The salary continuation payments for Messrs. Baetz and Grove are equal to the sum of one times base salary for the year in which termination occurs and the of greater of: (a) the AIP payment received by the applicable Named Executive Officer for the immediately preceding calendar year or (b) the target AIP payment for the year in which such termination occurs.

Messrs. Baetz and Grove are also eligible to receive a lump-sum payment of any earned but unpaid AIP payment for the calendar year ending prior to the termination date and a prorated AIP payment for the year in which the termination occurs.

Each of the Named Executive Officers is eligible for up to 18 months (or, in the case of Mr. Smith, 12 months) of COBRA continuation coverage under our group health plans. Each of Messrs. Baetz and Grove is eligible to receive certain additional benefits in the event his employment terminates within the six-month period following a sale of the Company as described below in "—Change in Control."

Each of the Named Executive Officers is eligible for 12 months' accelerated vesting of any unvested equity awards subject to time-based vesting held by him as of his termination date upon a termination without "Cause" or for "Good Reason." In connection with such termination, each Named Executive Officers' PRSUs will remain outstanding and be eligible to vest based on actual performance until the earlier of (i) the date that is 12 months following the termination date and (ii) the last day of the applicable performance period. Upon a "Change in Control," 100% of the RSUs and the PRSUs will vest as described below in "—Change in Control."

The severance benefits described above are subject to the Named Executive Officer's execution, delivery and non-revocation of a release of claims in favor of us and continued compliance with applicable restrictive covenants.

Under the employment agreements, "Cause" generally means, with respect to a Named Executive Officer, any of the following: (i) the repeated failure to fulfill his obligations under his employment agreement; (ii) a material breach by our written code of conduct or any other material written policy or regulation of the us (and in the case of (i) and (ii), if able to be cured, remaining uncured for 30 days following written notice from us); (iii) a conviction of, or plea of guilty or no contest to, a felony or to a crime involving moral turpitude resulting in financial or reputational harm to us or our affiliates; (iv) engagement in conduct that constitutes gross negligence or gross misconduct in carrying out his job duties; (v) a material violation of any restrictive covenant to which he is subject; or (vi) any act involving dishonesty relating to, and adversely affecting, our business.

Under the employment agreements, "Good Reason" generally means the occurrence of any of the following without the Named Executive Officer's written consent: (i) a material reduction in base salary; (ii) any material breach by us of any material provision of the employment agreement; (iii) a material diminution in the nature or scope of the Named Executive Officer's authority or responsibilities; (iv) a permanent relocation of his principal place of employment by more than 30 miles; or (v) our failure to obtain an agreement from any successor to assume the employment agreement. The conditions described above are subject in each case to customary notice and cure provisions.

Upon a termination of employment due to death or "Disability" (as defined in the 2017 Plan), each Named Executive Officer's RSU award and PRSU award will be deemed fully vested and will be settled within 30 days of such termination.

Upon a termination of employment for "Cause" or without "Good Reason," the Named Executive Officer will forfeit all outstanding RSUs and PRSUs.

Change in Control

If either of Messrs. Baetz's or Grove's employment is terminated without "Cause" or by him for "Good Reason" within the six-month period following a sale of the Company (as defined in the employment agreement) occurs, his salary continuation payments will be increased to the sum of two times base salary for the year in which termination occurs and the of greater of: (a) the AIP payment received by the applicable Named Executive Officer for the immediately preceding calendar year or (b) the target AIP payment for the year in which such termination occurs.

Pursuant to the award agreements with each of the Named Executive Officers, all outstanding and unvested RSUs and PRSUs held by each of the Named Executive Officers will vest 100% upon a Change in Control and be settled within 30 days following such Change in Control.

For purposes of the 2017 Plan, "Change in Control" generally means: (i) any "person" (other than the Company and certain related parties), becoming the beneficial owner, directly or indirectly, of securities representing more than 50% of the combined voting power of the Company; (ii) during any period of 24 consecutive calendar months, our directors as of the first day of such period (the "Incumbent Directors") cease for any reason to constitute a majority of our board of directors, provided that a director elected or nominated by our stockholders (other than as a result of an actual or threatened proxy contest) whose appointment was approved by two-thirds of the Incumbent Directors shall be considered an Incumbent Director for this purpose; (iii) any consolidation or merger in which our stockholders immediately prior to such consolidation or merger do not beneficially own securities representing more than 50% of the total voting power of the surviving or continuing entity; or (iv) (a) a complete liquidation or dissolution of us or (b) a sale or disposition of all or substantially all of our assets in one or a series of related transactions. For avoidance of doubt, an initial public offering will not constitute a "Change in Control" for purposes of the 2017 Plan.

Actions Taken Following Fiscal Year End

Omnibus Incentive Plan

In order to incentivize individuals providing services to us or our affiliates, our board of directors adopted the 2017 Plan, which was amended and restated as of March 7, 2018 (the "Prior Plan"). In connection with this offering, our board of directors adopted the Restated Incentive Plan effective as of June 27, 2018. The Restated Incentive Plan provides for the grant, from time to time, at the discretion of our board of directors or a committee thereof, of stock options, stock appreciation rights ("SARs"), restricted stock, restricted stock units, stock awards, dividend equivalents, other stock-based awards, cash awards, and substitute awards. The description of the Restated Incentive Plan set forth below is a summary of the material features of the Restated Incentive Plan. This summary does not purport to be a complete description of all of the anticipated provisions of the Restated Incentive Plan and is qualified in its entirety by reference to the Restated Incentive Plan, a copy of which is filed as an exhibit to this registration statement.

Share Limits. Subject to adjustment in the event of certain transactions or changes of capitalization in accordance with the Restated Incentive Plan, the maximum number of shares of our common stock that may be issued pursuant to awards under the Restated Incentive Plan is 10,000,000, inclusive of the number of shares of common stock previously issued pursuant to an award (or made subject to an award that has not expired or been terminated) under the Prior Plan or the 2017 Plan. The total number of shares reserved for issuance under the Restated Incentive Plan may be issued pursuant to incentive stock options (which generally are stock options that meet the requirements of Section 422 of the Code). Common stock subject to an award that expires or is canceled, forfeited, exchanged, settled in cash or otherwise terminated without delivery of shares and shares withheld to pay the exercise price of, or to satisfy the withholding obligations with respect to, an award will again be available for delivery pursuant to other awards under the Restated Incentive Plan.

Non-Employee Director Limits. The maximum aggregate compensation, including cash compensation and the grant date fair value of awards granted under the Restated Incentive Plan, to non-employee directors will not exceed $1 million (in the case of the chairman of the board of directors) or $650,000 (in the case of non-employee directors other than the chairman) in any single calendar year (or twice the applicable annual limit in the first calendar year in which an individual becomes a non-employee director).

Administration. The Restated Incentive Plan is administered by our board of directors or a committee thereof, either of which we refer to herein as the "committee." Our board of directors has designated the compensation committee to administer the Restated Incentive Plan. The committee has broad discretion to

administer the Restated Incentive Plan, including the power to determine the eligible individuals to whom awards are granted, the number and type of awards to be granted and the terms and conditions of awards. The committee may also condition the vesting, settlement or exercise of an award on achievement of one or more performance goals, accelerate the vesting or exercise of any award and make all other determinations and to take all other actions necessary or advisable for the administration of the Restated Incentive Plan.

Eligibility. Any individual who is our officer or employee or an officer or employee of any of our affiliates, and any other person who provides services to us or our affiliates, including members of our board of directors, are eligible to receive awards under the Restated Incentive Plan at the discretion of the committee.

Stock Options. The committee may grant incentive stock options and options that do not qualify as incentive stock options, except that incentive stock options may only be granted to persons who are our employees or employees of one of our subsidiaries, in accordance with Section 422 of the Code. The exercise price of a stock option cannot be less than 100% of the fair market value of a share of our common stock on the date on which the option is granted and the option must not be exercisable for longer than ten years following the date of grant. In the case of an incentive stock option granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our capital stock, the exercise price of the stock option must be at least 110% of the fair market value of a share of our common stock on the date of grant and the option must not be exercisable more than five years from the date of grant.

Stock Appreciation Rights. A SAR is the right to receive an amount equal to the excess of the fair market value of one share of our common stock on the date of exercise over the grant price of the SAR. The grant price of a SAR cannot be less than 100% of the fair market value of a share of our common stock on the date on which the SAR is granted. The term of a SAR may not exceed ten years. SARs may be granted in connection with, or independent of, a stock option. SARs may be paid in cash, common stock or a combination of cash and common stock, as determined by the committee.

Restricted Stock. Restricted stock is a grant of shares of common stock subject to the restrictions on transferability and risk of forfeiture imposed by the committee. In the discretion of the committee, dividends distributed prior to vesting may be subject to the same restrictions and risk of forfeiture as the restricted stock with respect to which the distribution was made.

Restricted Stock Units. A restricted stock unit is a right to receive cash, common stock or a combination of cash and common stock at the end of a specified period equal to the fair market value of one share of our common stock on the date of vesting. Restricted stock units may be subject to the restrictions, including a risk of forfeiture, imposed by the committee.

Stock Awards. A stock award is a transfer of unrestricted shares of our common stock on terms and conditions determined by the committee.

Dividend Equivalents. Dividend equivalents entitle an individual to receive cash, shares of common stock, other awards, or other property equal in value to dividends or other distributions paid with respect to a specified number of shares of our common stock. Dividend equivalents may be awarded on a free-standing basis or in connection with another award (other than an award of restricted stock or a stock award). The committee may provide that dividend equivalents will be paid or distributed when accrued or at a later specified date, including at the same time and subject to the same restrictions and risk of forfeiture as the award with respect to which the dividends accrue if they are granted in tandem with another award.

Other Stock-Based Awards. Subject to limitations under applicable law and the terms of the Restated Incentive Plan, the committee may grant other awards related to our common stock. Such awards may include, without limitation, awards that are convertible or exchangeable debt securities, other rights convertible or exchangeable into our common stock, purchase rights for common stock, awards with value and payment

contingent upon our performance or any other factors designated by the committee, and awards valued by reference to the book value of our common stock or the value of securities of, or the performance of, our affiliates.

Cash Awards. The Restated Incentive Plan permits the grant of awards denominated in and settled in cash as an element of or supplement to, or independent of, any award under the Restated Incentive Plan.

Substitute Awards. Awards may be granted in substitution or exchange for any other award granted under the Restated Incentive Plan or any other right of an eligible person to receive payment from us. Awards may also be granted under the Restated Incentive Plan in substitution for similar awards held by individuals who become eligible persons as a result of a merger, consolidation or acquisition of another entity or the assets of another entity by or with us or one of our affiliates.

Recapitalization. In the event of any change in our capital structure or business or other corporate transaction or event that would be considered an equity restructuring and that would result in additional compensation expense under applicable accounting rules, the committee shall equitably adjust the (i) aggregate number or kind of shares that may be delivered under the Restated Incentive Plan, (ii) the number or kind of shares or amount of cash subject to an award, (iii) the terms and conditions of awards, including the purchase price or exercise price of awards and performance goals, and (iv) the applicable share-based limitations with respect to awards provided in the Restated Incentive Plan, in each case to equitably reflect such event.

No Repricing. Except in connection with (i) the issuance of substitute awards granted to new service providers in connection with a transaction or (ii) adjustments to awards granted under the Restated Incentive Plan as a result of a transaction or recapitalization involving us, without the approval of the stockholders of the Company, the terms of outstanding option or SAR may not be amended to reduce the exercise price or grant price or to take any similar action that would have the same economic result.

Change in Control. Except to the extent otherwise provided in any applicable award agreement, no award will vest solely upon the occurrence of a change in control. In the event of a change in control or other changes us or our common stock, the committee may, in its discretion, (i) accelerate the time of exercisability of an award, (ii) require awards to be surrendered in exchange for a cash payment (including canceling a stock option or SAR for no consideration if it has an exercise price or the grant price less than the value paid in the transaction), (iii) cancel awards that remain subject to a restricted period as of the date of the change in control or other event without payment, or (iv) make any other adjustments to awards that the committee deems appropriate to reflect the applicable transaction or event.

Clawback. All awards granted under the Restated Incentive Plan are subject to reduction, cancelation or recoupment under any written clawback policy that we may adopt and that we determine should apply to awards under the Restated Incentive Plan.

Amendment and Termination. The Restated Incentive Plan will automatically expire on the tenth anniversary of its effective date. The committee may amend or terminate the Restated Incentive Plan at any time, subject to stockholder approval if required by applicable law, rule or regulation, including the rules of the stock exchange on which our shares of common stock are listed. The committee may amend the terms of any outstanding award granted under the Restated Incentive Plan at any time so long as the amendment would not materially and adversely affect the rights of a participant under a previously granted award without the participant’s consent.

Director Compensation

The table below summarizes the compensation paid to our non-employee director for the fiscal year ended December 31, 2017.

Name(1)	Fees Earned or Paid in Cash ($)(2)	Stock Awards ($)(3)	Total ($)
Eugene “Gene” Voiland	29,167	151,800	180,967

(1) While Messrs. Smith and Baetz, Brent S. Buckley and Kaj Vazales also served on our board of directors during 2017, they did not receive any additional compensation for their service as directors. The compensation received by each of Messrs. Smith and Baetz as an officer of the Company is shown in “—2017 Summary Compensation Table.”

(2) Mr. Voiland joined our board of directors on June 15, 2017. The amount in this column reflects amounts received for his services as a director from June 15, 2017 to December 31, 2017.

(3) Reflects the aggregate grant date fair value of 15,000 RSUs granted to Mr. Voiland during 2017 computed in accordance with FASB ASC Topic 718, determined without regard to estimated forfeitures. The RSUs vested May 23, 2018.

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 to beneficially own more than 5% of any class of our outstanding common stock and Series A Preferred 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.

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.

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. Further, the table below assumes all outstanding shares of Series A Preferred Stock are converted into shares of common stock and cash as described in “Prospectus Summary—Recent Developments—Preferred Stock Conversion.” 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.

	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' Option to Purchase Additional Shares)		Shares of Common Stock Beneficially Owned After this Offering (Assuming Full Exercise of the Underwriters' Option to Purchase Additional Shares)	
	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 (8 persons)		%			%		%
Selling stockholders and other 5% stockholders		%			%		%

(1) The amounts and percentages of common 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 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 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.

One of LINN Energy's former directors is the President and Chief Executive Officer of Superior Energy Services, Inc. ("Superior"), which provided oilfield services to Berry LLC. Berry LLC incurred no significant expenditures related to services rendered by Superior and its subsidiaries for the year ended December 31, 2016.

Operating Agreements

On the Effective Date, in connection with the TSSA, Berry LLC and 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, 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, Berry LLC operated the Hill assets 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 rates of compensation, Mr. Smith received $50,769.24 in aggregate compensation from October 1, 2017 through December 31, 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 and either approve or disapprove entry into the Related Party Transaction, subject to certain limited exceptions. In determining whether to approve or disapprove entry into a Related Party Transaction, our audit committee shall take into account, among other factors, the following: (i) whether the Related Party Transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances; (ii) the extent of the Related Person's interest in the transaction; and (iii) whether the Related Party Transaction is material to the Company. Furthermore, the policy requires that all Related Party Transactions required to be disclosed in our filings with the SEC be so disclosed in accordance with applicable laws, rules and regulations.

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 May 31, 2018, there were 33,008,086 shares of common stock and 37,669,805 shares of Series A Preferred Stock outstanding. As of May 31, 2018, there were 9 stockholders 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 are subject to those of the Series A Preferred Stock and 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 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 certain breaches of fiduciary duty as a director.

Any amendment, repeal or modification of these provisions will be prospective only and would not affect any limitation on liability of a director for acts or omissions that occurred prior to any such amendment, repeal or modification.

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 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.

Each share of Series A Preferred Stock may be converted into one share of common stock, subject to dilution adjustments (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 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.

In connection with this offering, we will amend the Series A Certificate of Designation to provide for the automatic conversion of all outstanding shares of Series A Preferred Stock. Pursuant to the amendment, each outstanding share of Series A Preferred Stock will be automatically converted into (i) 1.05 shares of common stock and (ii) the right to receive $1.75, minus the amount of any cash dividend paid by the Company on such share of Series A Preferred Stock in respect of any period commencing on or after April 1, 2018. We will use a portion of the proceeds from this offering to fund the cash payable to holders of Series A Preferred Stock in connection with the Preferred Stock Conversion. See "Use of Proceeds."

Amendment of the Bylaws

The Certificate of Incorporation and the Bylaws grant to the board of directors the power to adopt, amend, restate or repeal the Bylaws, as permitted under the DGCL, 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 in addition to any approval required by law, the Bylaws or the terms of any 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 90 days nor more than 120 days prior to the first anniversary date we first mailed our proxy materials for 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,
- Directors may be removed from office, either for or without cause, by the affirmative vote of the holders of a majority of the voting power of the then-outstanding shares of capital stock entitled to vote generally in 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 of our directors, officers or other employees 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;

in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein.

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, and subject to the Stockholders Agreement, 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 of holders of a majority of the voting power of the shares entitled to vote in connection with the election of the directors, voting together as a single class.

Registration Rights

The Registration Rights Agreement generally requires us to file a shelf registration statement with the SEC as soon as practicable following the Effective Date, subject to deferment in connection with us pursuing an initial public offering. 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 a specified holder or a 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, including in this offering, 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. As of June 29, 2018, there were 24,745,728 shares of our common stock and 31,835,242 shares of Series A Preferred Stock, each of which will be converted into 1.05 shares of common stock in connection with the Preferred Stock Conversion, outstanding that were owned by stockholders with rights under the Registration Rights Agreement.

Stockholders Agreement

Under the Stockholders Agreement, we will be required to take all necessary action to cause the following three individuals to be nominated for election as directors:

- the individual serving as our Chief Executive Officer;
- one individual designated by Benefit Street Partners (for so long as Benefit Street Partners beneficially owns at least ten percent of our common stock); and
- one individual designated by Oaktree Capital Management (for so long as Oaktree Capital Management beneficially owns at least ten percent of our common stock).

Benefit Street Partners and Oaktree Capital Management also have the right to designate directors to fill vacancies created by the resignation or removal of their designees.

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 in accordance with the terms of the Stockholders Agreement.

The Stockholders Agreement will terminate automatically on February 28, 2020. 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.

Listing

We have applied to list our common stock on the NASDAQ under the symbol “BRY.”

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, including shares issued in connection with the Preferred Stock Conversion. 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 stock will be eligible for sale as of 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, the selling stockholders and certain other stockholders have agreed not to sell any common stock or securities convertible into or exchangeable for shares of common stock for a period of 180 days from the date of this prospectus, subject to certain exceptions. Please see "Underwriting (Conflicts of Interest)" 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 at 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 shares of common stock issuable under our Restated 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 we 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 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 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. While we do not yet know the final amount of shares that we will issue to third parties with respect to the unsecured claims, we have entered into settlement agreements that have materially reduced the potential shares to be issued from the reserved amount. Based on the settlements we have finalized to date, we estimate that we will distribute less than million shares, and we are currently pursuing additional settlements that would further reduce the number of shares that would ultimately be issued in settlement of claims.

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. All of our common stock 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 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 or differing interpretations, 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, and subject to the discussion below under "—Backup Withholding and Information Reporting," each of which is discussed below, any dividend 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 timely 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). Subject to the discussion below under "—Backup Withholding and Information Reporting" and "—Additional Withholding Requirements under FATCA," 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
- we are or have been a United States real property holding corporation ("USRPHC") for U.S. federal income tax purposes during the applicable statutory period and either (a) our common stock is not "regularly traded on an established securities market" (within the meaning of U.S. Treasury Regulations) or (b) our common stock is "regularly traded on an established securities market" (within the meaning of U.S. Treasury Regulations) and the non-U.S. holder 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.

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" (within the meaning of the Code and the applicable U.S. Treasury Regulations) 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. We believe that, for as long as our common stock is listed on a national securities exchange, our common stock will be treated as regularly traded on an established securities market (within the meaning of the U.S. Treasury Regulations). If, however, our common stock ceased to be regularly traded on an established securities market, a non-U.S. 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, and a 15% withholding tax would apply to the gross proceeds from such disposition. If a non-U.S. holder is subject to the tax described in this paragraph, such non-U.S. holder will be required to file a United States federal income tax return with the IRS with respect to the year of the 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 timely and 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, provided that the required information is timely furnished to the IRS. 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, the selling stockholders 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. Goldman Sachs & Co. LLC, Wells Fargo Securities, LLC and BMO Capital Markets Corp. are the representatives of the underwriters.

Underwriters	Number of Shares
Goldman Sachs & Co. LLC	
Wells Fargo Securities, LLC	
BMO Capital Markets Corp.	
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 and the selling stockholders. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

Paid by the Company

	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Paid by the Selling Stockholders

	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 underwriters have agreed to reimburse us for certain expenses incurred in connection with this offering upon closing of this offering.

The Company and its officers, directors, and holders of substantially all of the Company's common stock, including the selling stockholders, 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 180 days after the date of this prospectus, except with the prior written consent of Goldman Sachs & Co. LLC and Wells Fargo Securities, LLC. 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 between 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 NASDAQ under the symbol "BRY." In order to meet one of the requirements for listing the common stock on the NASDAQ, the underwriters have undertaken to sell lots of 100 or more shares to a minimum of 450 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 the NASDAQ, 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 stock may not be made in that

Relevant Member State, except that an offer to the public in that Relevant Member State of our common stock 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 stock 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 stock to be offered so as to enable an investor to decide to purchase our common stock, 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 in 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"), (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.

Conflicts of Interest

Certain investment funds affiliated with , an underwriter in this offering, own in excess of 10% of our issued and outstanding common and Series A Preferred Stock and will receive, as a holder of Series A Preferred Stock, 5% or more of the net proceeds of this offering due to the cash payment in the connection with the Preferred Stock Conversion. In addition, an affiliate of each of , Wells Fargo Securities, LLC and BMO Capital Markets Corp. is a lender under the RBL Facility and will receive 5% or more of the net proceeds of this offering due to the repayment of borrowings under the RBL Facility. Under the rules of FINRA, each of , Wells Fargo Securities, LLC and BMO Capital Markets Corp. is deemed to have a conflict of interest with us within the meaning of FINRA Rule 5121.

Because of the conflicts of interest, this offering is being conducted in accordance with FINRA Rule 5121, which requires, among other things, that a "qualified independent underwriter" participate in the preparation of, and exercise the usual standards of "due diligence" with respect to, the registration statement and this prospectus. In accordance with this rule, has assumed the responsibilities of acting as a qualified independent underwriter. will not receive any additional fees for serving as a qualified independent underwriter in connection with this offering. , Wells Fargo Securities, LLC and BMO Capital Markets Corp. will not confirm sales of the shares to any account over which it exercises discretionary authority without the prior written approval of the customer.

The Company estimates that their total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $.

The Company and the selling stockholders have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act.

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 our common stock 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 Gibson, Dunn & Crutcher L.L.P., Houston, Texas.

EXPERTS

The consolidated financial statements of Berry Petroleum Corporation and subsidiary as of December 31, 2017 (Successor) and 2016 (Predecessor), and for the ten months ended December 31, 2017 (Successor), the two months ended February 28, 2017 and for the year ended December 31, 2016 (Predecessor) 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, 2017 consolidated financial statements refers to a change in the basis of presentation for Berry Petroleum Corporation's emergence from bankruptcy.

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

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors

Berry Petroleum Corporation:

Opinion on the Consolidated Financial Statements

We have audited the accompanying balance sheets of Berry Petroleum Corporation and subsidiary (the "Company") as of December 31, 2017 (Successor) and 2016 (Predecessor), the related consolidated statements of operations, statements of equity, and statements of cash flows for the ten months ended December 31, 2017 (Successor), the two months ended February 28, 2017 and for the year ended December 31, 2016 (Predecessor), and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 (Successor) and 2016 (Predecessor), and the results of its operations and its cash flows for the ten months ended December 31, 2017 (Successor), the two months ended February 28, 2017 and for the year ended December 31, 2016 (Predecessor), in conformity with U.S. generally accepted accounting principles.

Basis of Presentation

As discussed in Note 2 to the consolidated financial statements, the Company emerged from bankruptcy on February 28, 2017. Accordingly, the accompanying consolidated financial statements have been prepared in conformity with Accounting Standards Codification 852-10, Reorganizations, for the Successor as a new entity with assets, liabilities and a capital structure having carrying amounts not comparable with prior periods as described in Note 2.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the auditing standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company's auditor since 2013.
Los Angeles, California
April 11, 2018, except for Note 15, as to which the date is June 12, 2018

BERRY PETROLEUM CORPORATION
CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)

	Berry Petroleum Corporation (Successor) December 31, 2017	Berry Petroleum Company, LLC (Predecessor) December 31, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 33,905	$ 30,483
Accounts receivable, net of allowance of $970 in 2017 and $0 in 2016	54,720	51,175
Restricted cash	34,833	128
Other current assets	14,066	16,218
Total current assets	137,524	98,004
Oil and natural gas properties	1,342,453	5,026,810
Accumulated depletion and amortization	(54,785)	(2,789,368)
	1,287,668	2,237,442
Other property and equipment	104,879	123,460
Accumulated depreciation	(5,356)	(20,759)
	99,523	102,701
Restricted cash	—	197,793
Other noncurrent assets	21,687	16,110
Total assets	$ 1,546,402	$ 2,652,050
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 97,877	$ 68,998
Derivative instruments	49,949	8,896
Current portion of long-term debt	—	891,259
Liabilities subject to compromise	34,833	—
Total current liabilities	182,659	969,153
Long term debt	379,000	—
Derivative instruments	25,332	10,221
Liabilities subject to compromise	—	1,000,553
Deferred income taxes	1,888	—
Asset retirement obligation	94,509	138,751
Other noncurrent liabilities	3,704	30,409
Commitments and Contingencies-Note 7		
Equity:		
Successor Series A convertible preferred stock ($.001 par value, 250,000,000 shares authorized and 35,845,001 shares issued at December 31, 2017; no shares authorized and issued at December 31, 2016)	335,000	—
Successor common stock ($.001 par value, 750,000,000 shares authorized and 32,920,000 shares issued at December 31, 2017; no shares authorized or issued at December 31, 2016)	33	—
Successor additional paid-in-capital	545,345	—
Predecessor additional paid-in-capital	—	2,798,713
Predecessor accumulated deficit	—	(2,295,750)
Successor accumulated deficit	(21,068)	—
Total Equity	859,310	502,963
Total liabilities and equity	$ 1,546,402	$ 2,652,050

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands)

	Berry Petroleum Corporation (Successor)	Berry Petroleum Company, LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Revenues and other:			
Oil, natural gas and natural gas liquids sales	$ 357,928	$ 74,120	$ 392,345
Electricity sales	21,972	3,655	23,204
(Losses) gains on oil and natural gas derivatives	(66,900)	12,886	(15,781)
Marketing revenues	2,694	633	3,653
Other revenues	3,975	1,424	7,570
	319,669	92,718	410,991
Expenses and other:			
Lease operating expenses	149,599	28,238	185,056
Electricity generation expenses	14,894	3,197	17,133
Transportation expenses	19,238	6,194	41,619
Marketing expenses	2,320	653	3,100
General and administrative expenses	56,009	7,964	79,236
Depreciation, depletion and amortization	68,478	28,149	178,223
Impairment of long-lived assets	—	—	1,030,588
Taxes, other than income taxes	34,211	5,212	25,113
(Gains) losses on sale of assets and other, net	(22,930)	(183)	(109)
	321,819	79,424	1,559,959
Other income and (expenses):			
Interest expense	(18,454)	(8,245)	(61,268)
Other, net	4,071	(63)	(182)
	(14,383)	(8,308)	(61,450)
Reorganization items, net	(1,732)	(507,720)	(72,662)
Loss before income taxes	(18,265)	(502,734)	(1,283,080)
Income tax expense	2,803	230	116
Net loss	(21,068)	$ (502,964)	$ (1,283,196)
Undeclared dividends on Series A preferred stock	(18,248)	n/a	n/a
Net loss available to common stockholders	$ (39,316)	n/a	n/a
Loss per share attributable to common stockholders:			
Basic	$ (0.98)	n/a	n/a
Diluted	$ (0.98)	n/a	n/a

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Berry Petroleum Corporation (Successor)	Berry Petroleum Company, LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Cash flow from operating activities:			
Net loss	$ (21,068)	$ (502,964)	$(1,283,196)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation, depletion and amortization	68,478	28,149	178,223
Amortization of debt issuance costs	1,988	416	1,849
Impairment of long-lived asset	—	—	1,030,588
Stock-based compensation expense	1,851	—	—
Deferred income taxes	1,888	9	(11)
Increase in allowance for doubtful accounts	970	—	—
Gain on sale of assets and other, net	(22,930)	(25)	(212)
Reorganization expenses, net	—	501,872	43,289
Derivatives activities:			
Total (gains) losses	66,900	(12,886)	20,386
Cash settlements	3,068	534	8,007
Cash settlements on canceled derivatives	—	—	1,701
Changes in assets and liabilities:			
Increase in accounts receivable	(7,022)	(9,152)	(6,556)
(Increase) decrease in other assets	(13,175)	(2,842)	1,962
Increase (decrease) in accounts payable and accrued expenses	6,619	18,330	22,101
Increase (decrease) in other liabilities	19,832	990	(4,934)
Net cash provided by (used in) operating activities	107,399	22,431	13,197
Cash flow from investing activities:			
Capital expenditures:			
Development of oil and natural gas properties	(52,712)	(859)	(21,988)
Purchases of other property and equipment	(12,767)	(2,299)	(12,808)
Acquisition of properties	(249,338)	—	—
Proceeds from sale of properties and equipment and other	234,292	25	194
Net cash (used in) provided by investing activities	(80,525)	(3,133)	(34,602)
Cash flow from financing activities:			
Proceeds from sale of Series A convertible preferred stock	—	335,000	—
Borrowings under new credit facility	402,285	—	—
Repayments on new credit facility	(23,285)	—	—
Repayments on previous credit facility	(451,000)	(497,668)	(1,701)
Borrowings under previous credit facility	51,000	—	—
Debt issuance costs	(22,170)	—	—
Net cash used in financing activities	(43,170)	(162,668)	(1,701)
Net decrease in cash and cash equivalents	(16,296)	(143,370)	(23,106)
Cash, cash equivalents and restricted cash:			
Beginning	85,034	228,404	251,510
Ending	$ 68,738	$ 85,034	$ 228,404

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM COMPANY, LLC
(PREDECESSOR)
CONSOLIDATED STATEMENTS OF EQUITY
(in thousands)

	Member's Capital	Accumulated (Deficit)	Total Member's equity
Balance, December 31, 2015	$ 2,798,713	$(1,012,554)	$ 1,786,159
Net loss	—	(1,283,196)	(1,283,196)
Balance, December 31, 2016	2,798,713	(2,295,750)	502,963
Net loss	—	(502,964)	(502,964)
Other	1	—	1
	2,798,714	(2,798,714)	—
Cancellation of Predecessor Equity	(2,798,714)	2,798,714	—
Balance, February 28, 2017	$ —	$ —	$ —

BERRY PETROLEUM CORPORATION
(SUCCESSOR) CONSOLIDATED STATEMENTS OF EQUITY
(in thousands)

	Series A Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated (Deficit)	Total Stockholders' equity
	Shares	Amount	Shares	Amount			
Issuance of Series A convertible preferred stock	35,845	$ 335,000	—	$ —	$ —	$ —	$ 335,000
Issuance of Common Stock	—	—	32,920	33	543,494	—	543,527
Beneficial conversion feature related to Series A convertible preferred stock	—	—	—	—	27,751	(27,751)	—
Elimination of accumulated deficit	—	—	—	—	(27,751)	27,751	—
Balance, February 28, 2017	35,845	335,000	32,920	33	543,494	—	878,527
Net loss	—	—	—	—	—	(21,068)	(21,068)
Stock based compensation	—	—	—	—	1,851	—	1,851
Balance, December 31, 2017	35,845	$ 335,000	32,920	$ 33	$ 545,345	$ (21,068)	$ 859,310

The accompanying notes are an integral part of these financial statements.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2017

Note 1—Basis of Presentation and Significant Accounting Policies

"Berry Corp." refers to Berry Petroleum Corporation, a Delaware corporation which is the sole member of Berry Petroleum Company, LLC, as of February 28, 2017.

"Berry LLC" refers to Berry Petroleum Company, LLC, a Delaware limited liability company.

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 of and after February 28, 2017, as a whole or (ii) either Berry Corp. or Berry LLC on an individual basis as of and after February 28, 2017. 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 April 11, 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.

Certain prior year amounts have been reclassified to conform to the 2017 presentation. On the balance sheet, we reclassified the current portion of the asset retirement obligation and current accrued interest out of other accrued liabilities and into accounts payable and accrued expenses. Current restricted cash has been separated from other current assets and presented separately.

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, a Delaware corporation, 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").

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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.

Principles of Consolidation and Reporting

The consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") and include the accounts of the Successor and its wholly owned subsidiary after February 28, 2017 and the accounts of the Predecessor prior to February 28, 2017. All significant intercompany transactions and balances have been eliminated upon consolidation. For oil and gas exploration and production joint ventures in which we have a direct working interest, we account for our proportionate share of assets, liabilities, revenue, expense and cash flows within the relevant lines of the financial statements.

Bankruptcy Accounting

The consolidated financial statements have been prepared as if the Company will continue as 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 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 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 financial statements on or after February 28, 2017 are not comparable to the financial statements prior to that date. See Note 3 for additional information.

Use of Estimates

The preparation of the accompanying consolidated financial statements in conformity with GAAP required 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.

As fair value is a market-based measurement, it was determined based on the assumptions that we believe market participants would use. Determination of these assumptions were based on management's best estimates and judgment. Management evaluates its 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 assumptions are adjusted when management determines that 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 these assumptions resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

The estimates that are particularly significant to the financial statements include estimates of our reserves of oil and gas, future cash flows from oil and gas properties, depreciation, depletion and amortization, asset retirement obligations, certain revenues and expenses, fair values of commodity derivatives and fair values of assets acquired and liabilities assumed. 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Cash Equivalents

We consider all highly liquid short-term investments with original maturities of three months or less to be cash equivalents.

Restricted Cash

At December 31, 2017, "restricted cash" of approximately $35 million was classified as a current asset on the consolidated balance sheet and represents cash that will be used to settle certain claims and pay certain professional fees in accordance with the Plan (as defined below). At December 31, 2016, "restricted cash" of approximately $198 million classified as a non-current asset on the balance sheet represented 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.

Inventories

Inventories were included in other current assets. Oil and natural gas inventories were valued at the lower of cost or net realizable value. Materials and supplies were valued at their weighted-average cost and are reviewed periodically for obsolescence.

Deferred Financing Costs

We incurred legal and bank fees related to the issuance of debt. At December 31, 2017 and December 31, 2016, net deferred financing fees of approximately $20 million and $6 million were included in "other noncurrent assets" and "other current assets", respectively, on the balance sheets. These deferred financing costs are being amortized over the life of the debt agreement.

For the ten months ended December 31, 2017, the two months ended February 28, 2017, and the year ended December 31, 2016, amortization expense of approximately $2 million, $0 and $2 million was included in "interest expense" in the consolidated statements of operations.

Oil and Natural Gas Properties

Proved Properties

We account for oil and natural gas properties in accordance with the successful efforts method. Under 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 in the current period. Gains or losses from the disposal of other properties are recognized in the current period. For assets acquired, we base the capitalized cost is based on fair value at the acquisition date. We expense expenditures for maintenance and repairs necessary to maintain properties in operating condition, as well as annual lease rentals, are expensed as they are incurred. Estimated dismantlement and abandonment costs are capitalized, net of salvage, at their estimated net present value and amortized over the remaining lives of the related assets. We only capitalized this interest on borrowed funds related to our share of costs associated with qualifying capital expenditures. Interest is capitalized only during the periods in which these assets are brought to their intended use. The amount of capitalized interest and exploratory well costs in 2017 and 2016 was not significant.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We evaluate the impairment of our proved oil and natural gas properties generally on a field by field basis or at the lowest level for which cash flows are identifiable, whenever events or changes in circumstance indicate that the carrying value may not be recoverable. We reduce the carrying values of proved properties are reduced to fair value when the expected undiscounted future cash flows are less than net book value. We measure 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 risk-adjusted discount rate. These inputs require significant judgments and estimates by our management at the time of the valuation and are the most sensitive estimates we make and the most likely to change. The underlying commodity prices are embedded in our estimated cash flows and are the product of a process that begins with the relevant forward curve pricing, adjusted for estimated location and quality differentials, as well as other factors our management believes will impact realizable prices.

Impairment of Proved Properties

Based on the analysis described above, for the year ended December 31, 2016, we recorded noncash impairment charges of approximately $1.0 billion associated with proved oil and natural gas properties. The 2016 impairment charges 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 were included in “impairment of long-lived assets” on our statements of operations.

The 2016 non-cash impairment charges associated with proved oil and natural gas properties arose in the following operating areas of our Predecessor:

	(in thousands)
California operating area	$ 984,288
Uinta basin operating area	26,677
East Texas operating area	6,387
	$ 1,017,352

Unproved Properties

A portion of the carrying value of our oil and gas properties was attributable to unproved properties. At December 31, 2017 and 2016, the net capitalized costs attributable to unproved properties were approximately $517 million and $680 million, respectively. The unproved amounts were not subject to depreciation, depletion and amortization until they were classified as proved properties and amortized on a unit-of-production basis. We evaluate the impairment of our unproved oil and gas properties whenever events or changes in circumstances indicate the carrying value may not be recoverable. 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 December 31, 2017. Based on the analysis described above, for the year ended December 31, 2016, we recorded noncash impairment charges of approximately $13 million

associated with unproved oil and natural gas properties. The impairment charges in 2016 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 our statements of operations.

Other Property and Equipment

Other property and equipment includes natural gas gathering systems, pipelines, buildings, software, data processing and telecommunications equipment, office furniture and equipment, and other fixed assets. These assets are recorded at cost and are depreciated using the straight-line method based on expected useful lives ranging from ten to 39 years for buildings and leasehold improvements and two to 30 years for plant and pipeline, drilling and other equipment.

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 its useful life and the cost of the obligation can be reasonably estimated. The liability amounts were 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 was initially recorded, we capitalized the cost by increasing the related property, plant and equipment ("PP&E") balances. If the estimated 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.

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.

The following table summarizes activity in our ARO account in which approximately $95 million, $109 million and $139 million were included in long term liabilities as of December 31, 2017, February 28, 2017 and December 31, 2016, respectively, with the remaining current portion included in accrued liabilities:

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(in thousands)		
Beginning balance	$ 113,275	$ 141,798	$ 137,563
Liabilities incurred capitalized to properties	—	152	113
Liabilities settled and paid	(2,333)	(861)	(4,891)
Accretion expense	5,562	1,112	7,468
Disposition by sale	(19,082)	—	—
Revision of estimates	—	—	1,545
Fresh-Start adjustment	—	(28,926)	—
Ending balance	$ 97,422	$ 113,275	$ 141,798

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Revenue Recognition

We recognize revenue from oil, natural gas and natural gas liquids ("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 assessing 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.

Stock-based Compensation

Subsequent to February 28, 2017, we issued restricted stock units ("RSUs") that vest over time and performance-based restricted stock units ("PRSUs") that vest based on our achievement of certain average prices per share, to certain employees and non-employee directors. The fair value of the stock-based awards is determined at the date of grant and is not remeasured. We determined the fair value of the RSUs based on an estimate of the fair value of our equity using an income approach. We used a discounted cash flow method to value the estimated future cash flows at an appropriate discount rate. If and when the Company's underlying shares begin trading in the public markets, these estimates will no longer be necessary. For PRSUs, compensation value is measured on the grant date using payout values derived from a Monte-Carlo valuation model. Estimates used in the Monte Carlo valuation model are considered highly-complex and subjective. Compensation expense, net of actual forfeitures, for the RSUs and PRSUs is recognized on a straight-line basis over the requisite service periods, which is generally over the awards' respective three-year vesting or performance periods.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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.

Electricity Cost Allocation

We own five cogeneration facilities. Our investment in cogeneration facilities has been for the express purpose of lowering steam costs in our 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. We allocate steam and electricity costs to lease operating expenses based on the conversion efficiency of the cogeneration facilities plus certain direct costs of producing steam. We also allocate a portion of the electricity production costs related to the power we sell to third parties, which is reported in "electricity generation expenses" in the statement of operations.

Income Taxes

Prior to the consummation of the Plan, as defined below, 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, 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 Predecessor 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.

On the Effective Date, upon consummation of the Plan, the Successor became a C Corporation subject to federal and state income taxes. The impact of changes in tax regulation are reflected when enacted. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their tax bases. Deferred tax assets are recognized when it is more likely than not that they will be realized. We periodically assess our deferred tax assets and reduce such assets by a valuation allowance if we deem it is more likely than not that some portion, or all, of the deferred tax assets will not be realized. We recognize a tax benefit from an uncertain tax position when it is more likely than not that the position will be sustained upon examination, based on the technical merits of the position. Interest and penalties related to unrecognized tax benefits are recognized in income tax expense (benefit).

Earnings per Share

We computed basic and diluted earnings per share (EPS) using the two-class method required for participating securities. Restricted and performance stock awards are considered participating securities when such shares have non-forfeitable dividend rights at the same rate as common stock.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Under the two-class method, undistributed earnings allocated to participating securities are subtracted from net income attributable to common stock in determining net income available to common stockholders. In loss periods, no allocation is made to participating securities because the participating securities do not share in losses. For basic EPS, the weighted-average number of common shares outstanding excludes outstanding shares related to unvested restricted stock awards. For diluted EPS, the basic shares outstanding are adjusted by adding potentially dilutive securities, unless their effect is anti-dilutive.

Business and Credit Concentrations

We maintain our cash in bank deposit accounts which, at times, may exceed federally insured amounts. We have not experienced any losses in such accounts. We believe we are not exposed to any significant credit risk on our cash.

We also sell 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, we believe that the loss of any one of our major purchasers would not have a material adverse effect on our financial condition, results of operations or net cash provided by operating activities.

For the ten months ended December 31, 2017, our three largest customers represented approximately 37%, 34% and 15% of our oil, gas and NGL sales. For the two months ended February 28, 2017, our two largest customers represented approximately 36% and 31% of our oil, gas and NGL sales. For the year ended December 31, 2016, our two largest customers represented approximately 34% and 28% of our oil, gas and NGL sales. For the years ended December 31, 2017 and December 31, 2016, 100% of electricity sales were attributable to two customers.

At December 31, 2017, trade accounts receivable from two customers represented approximately 35% and 26% of our receivables. At December 31, 2016, trade accounts receivable from two customers represented approximately 29% and 21% of our receivables.

Recently Issued Accounting Standards

In August 2017, the Financial Accounting Standards Board (“FASB”) released targeted improvements to hedge accounting standards that will expand hedge accounting for nonfinancial and financial risk components and amend measurement methodologies to more closely align hedge accounting with a company’s risk management activities. These rules are also intended to decrease the cost and complexity of hedge accounting. The new rules are effective for fiscal years beginning after December 15, 2018. We are currently evaluating the impact of the adoption of these new rules.

In May 2017, the 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 consolidated 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 consolidated financial statements.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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). The adoption of these rules 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 do not expect adoption of these rules to have a significant impact on our consolidated 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 consolidated 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 consolidated 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 consolidated 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED 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, dated February 28, 2017 between Linn Acquisition Company, LLC and Berry Corp. (the "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 Berry LLC'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 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 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.
- 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. The settlement agreement provided Berry LLC with a $25 million general unsecured claim against LINN Energy which Berry LLC has fully-reserved.

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 Pre-Emergence 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

Berry LLC's 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 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 received only 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. The liability for this cash distribution pool was $34.8 million at December 31, 2017 and 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 CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Reorganization Items, Net

We have incurred and continue to incur expenses associated with the reorganization. Reorganization items, net represents costs and income directly associated with the Chapter 11 proceedings since the Petition Date, and also includes 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 in the consolidated statements of operations:

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(in thousands)		
Gain on settlement of liabilities subject to compromise	$ —	$ 421,774	$ —
Unamortized premiums	—	—	10,923
Terminated contracts	—	—	(55,148)
Fresh-start valuation adjustments	—	(920,699)	—
Legal and other professional advisory fees	(1,732)	(19,481)	(30,130)
Other	—	10,686	1,693
Reorganization items, net	$ (1,732)	$ (507,720)	$ (72,662)

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 were 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 Predecessor did not record interest expense on its senior notes for the period from May 12, 2016 through December 31, 2016 and from January 1, 2017 through February 28, 2017. For those periods, unrecorded contractual interest was approximately $35 million and $9 million, respectively.

Covenant Violations

The Predecessor's filing of the Bankruptcy Petitions constituted an event of default that accelerated the Predecessor's obligations under its Pre-Emergence Credit Facility and its senior notes. Additionally, other events of default, including cross-defaults, occurred, including the failure to make interest payments on the Predecessor's senior notes. Under the Bankruptcy Code, the creditors under these debt agreements were stayed from taking any action against the Predecessor as a result of any default. See Note 5 for additional details about the Predecessor's debt.

Prior Credit Facility

The Pre-Emergence Credit Facility contained a requirement to deliver audited financial statements without a going concern or like qualification or exception. Consequently, the filing of the Predecessor's 2015 Annual Report on Form 10-K which included a going concern explanatory paragraph resulted in a default under the Pre-Emergence Credit Facility as of the filing date, March 28, 2016, subject to a 30-day grace period.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

On April 12, 2016, the Predecessor entered into an amendment to the Pre-Emergence 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) the Predecessor would have access to $45 million in cash that was previously restricted in order to fund ordinary course operations and (iv) the Predecessor, 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 the Predecessor. As a condition to closing the amendment, the Predecessor provided control agreements over certain deposit accounts.

The filing of the Bankruptcy Petitions constituted an event of default that accelerated the Predecessor's obligations under the Pre-Emergence Credit Facility. However, under the Bankruptcy Code, the creditors under this debt agreement were stayed from taking any action against the Predecessor as a result of the default.

Senior Notes

The Predecessor deferred making an interest payment totaling approximately $18 million due March 15, 2016, on the Predecessor's 6.375% senior notes due September 2022, which resulted in the Predecessor being in default under these senior notes. The indenture governing the notes provided the Predecessor a 30-day grace period to make the interest payment.

On April 14, 2016, within the 30-day interest payment grace period provided for in the indenture governing the notes, the Predecessor made an interest payment of approximately $18 million in satisfaction of its obligations.

The Predecessor 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 Predecessor'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 Predecessor as a result of the default.

Note 3—Fresh-Start Accounting

Upon our emergence from bankruptcy, we were 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. We were required to adopt fresh-start accounting upon our 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 our 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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	245,702
Total post-petition liabilities and allowed claims	2,137,297
Reorganization value of assets immediately prior to implementation of the Plan	(1,722,585)
Excess post-petition liabilities and allowed claims	$ 414,712

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 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, 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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 were 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%.

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	$ 1,278,527
Plus: Fair value of non-debt liabilities	282,511
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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Consolidated Balance Sheet

The adjustments included in the following fresh-start 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			
	Berry LLC (Predecessor)	Reorganization Adjustments(1)	Fresh-Start Adjustments	Berry Corp. (Successor)
	(in thousands)			
ASSETS				
Current assets:				
Cash and cash equivalents	$ 27,407	$ 4,642(2)	$ —	$ 32,049
Accounts receivable	76,027	(15,700)(3)	(816)(14)	59,511
Derivative instruments	243	—	—	243
Restricted cash	128	52,732(4)	—	52,860
Other current assets	18,437	(5,558)(5)	3,873(15)	16,752
Total current assets	122,242	36,116	3,057	161,415
Noncurrent assets:				
Oil and natural gas properties	5,031,498	—	(3,787,898)(16)	1,243,600
Less accumulated depletion and amortization	(2,814,999)	—	2,814,999(16)	—
	2,216,499	—	(972,899)	1,243,600
Other property and equipment	124,379	—	(15,576)(17)	108,803
Less accumulated depreciation	(22,107)	—	22,107(17)	—
	102,273	—	6,530	108,803
Derivative instruments	57	—	—	57
Restricted cash	197,939	(197,814)(2)	—	125
Other noncurrent assets	16,076	151(6)	30,811(18)	47,038
Total assets	$ 2,655,086	$ (161,547)	$ (932,501)	$1,561,038
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable and accrued expenses	$ 60,323	$ 52,371(7)	$ 3,818(19)	$ 116,512
Derivative instruments	5,355	—	—	5,355
Current portion of long-term debt, net	891,259	(891,259)(8)	—	—
Other accrued liabilities	7,335	(3,760)(9)	1,295(20)	4,870
Total current liabilities	964,272	(842,648)	5,113	126,737
Derivative instruments	1,710	—	—	1,710
Long-term debt	—	400,000(10)	—	400,000
Other noncurrent liabilities	170,979	—	(16,915)(21)	154,064
Liabilities subject to compromise	1,000,336	(1,000,336)(11)	—	—

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	As of February 28, 2017			
	Berry LLC (Predecessor)	Reorganization Adjustments(1)	Fresh-Start Adjustments	Berry Corp. (Successor)
	(in thousands)			
Equity:				
Predecessor additional paid-in capital	2,798,714	(2,798,714)(12)	—	—
Predecessor accumulated deficit	(2,280,925)	375,159(13)	1,905,766(22)	—
Successor preferred stock	—	335,000(12)	—	335,000
Successor common stock	—	33(12)	—	33
Successor additional paid-in capital	—	3,369,959(12)	(2,826,465)(22)	543,494
Total equity	517,789	1,281,437	(920,699)	878,527
Total liabilities and equity	$ 2,655,086	$ (161,547)	$ (932,501)	$1,561,038

Reorganization Adjustments:

(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.

(2) Changes in cash and cash equivalents included the following:

	(all $ 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) Collection of overpayment to LINN Energy, LLC for ad valorem taxes.

(4) Primarily reflects the transfer to restricted cash to fund the Predecessor's professional fees escrow account and general unsecured claims Cash Distribution Pool.

(5) Primarily reflects the write-off of the Predecessor's deferred financing fees.

(6) Reflects the capitalization of deferred financing fees related to the Emergence Credit Facility.

(7) Net increase in accounts payable and accrued expenses reflects:

	(all $ 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	7,666
Net change of other professional fees payable	(8,161)
Other	6
Net increase in accounts payable and accrued expenses	$ 52,371

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(8) Reflects the repayment of the Pre-Emergence Credit Facility.
(9) Reflects the payment of accrued interest on the Pre-Emergence Credit Facility.
(10) Reflects borrowings under the Emergence Credit Facility.
(11) Settlement of liabilities subject to compromise and the resulting net gain were determined as follows:

	(all $ 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	(543,562)
Gain on settlement of liabilities subject to compromise	$ 421,774

(12) Net increase in capital accounts reflects:

	(all $ in thousands)
Common stock to holders of Unsecured Notes and general unsecured creditors	$ 543,562
Payment of issuance costs	(35)
Dividend related to beneficial conversion feature of preferred stock	27,751
Cancellation of the Predecessor's additional paid-in capital	2,798,714
Par value of common stock	(33)
Change in additional paid-in capital	3,369,959
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	$ 906,278

See Note 8 for additional information on the issuances and distributions of the Successor's common and preferred stock.

(13) Net decrease in accumulated deficit reflects:

	(all $ in thousands)
Recognition of gain on settlement of liabilities subject to compromise	$ 421,774
Recognition of professional fees	(13,667)
Write-off of deferred financing fees	(5,197)
Total reorganization items, net	402,910
Dividend related to beneficial conversion feature of preferred stock	(27,751)
Net decrease in accumulated deficit	$ 375,159

Fresh-Start Adjustments:

(14) Reflects a change in accounting policy from the entitlements method to the sales method for natural gas production imbalances.
(15) Primarily reflects an increase in the current portion of greenhouse gas allowances.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(16) 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:

	Berry Corp. (Successor) Fair Value	Berry LLC (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

(17) 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:

	Berry Corp. (Successor) Fair Value	Berry LLC (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.

(18) 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.

(19) 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.

(20) Reflects an increase of the current portion of asset retirement obligations.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(21) 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) plugging and abandonment 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.

(22) 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 and Other Property and Equipment

Oil and Natural Gas Capitalized Costs

As a result of the application of fresh-start accounting, we recorded our oil and natural gas properties and other property and equipment at fair value as of the Effective Date. The fair values of oil and natural gas properties were 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) December 31, 2017	Berry LLC (Predecessor) December 31, 2016
	(in thousands)	
Proved properties	$ 825,416	$ 4,262,155
Unproved properties	517,037	764,655
	1,342,453	5,026,810
Less accumulated depletion and amortization	(54,785)	(2,789,368)
	$ 1,287,668	$ 2,237,442

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Other Property and Equipment

Other property and equipment consisted of the following:

	Berry Corp. (Successor) December 31, 2017	Berry LLC (Predecessor) December 31, 2016
	(in thousands)	
Natural gas plants and pipelines	$ 79,856	$ 108,697
Buildings and leasehold improvements	2,986	5,884
Vehicles	3,228	4,600
Furniture and equipment	10,547	4,078
Land	8,262	201
	104,879	123,460
Less: accumulated depreciation	(5,356)	(20,759)
	$ 99,523	$ 102,701

Note 5—Debt

The following table summarizes our outstanding debt:

	Berry Corp. (Successor) December 31, 2017	Berry LLC (Predecessor) December 31, 2016
	(in thousands)	
Current portion of debt:		
Pre-Emergence Credit Facility(1)(2)	$ —	$ 891,259
Long-term debt:		
RBL 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 4.8% and 5.5% at December 31, 2017 and December 31, 2016, respectively.
(3) The Company's senior notes were classified as liabilities subject to compromise at December 31, 2016.

Fair Value

Our debt was recorded at the carrying amount on the balance sheets. The carrying amounts of the Pre-Emergence Credit Facility and the RBL Facility (as defined below) approximated fair value because their interest rates were 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Credit Facilities

2016 and 2017 Credit Facilities

The Pre-Emergence Credit Facility dated November 15, 2010 and amended April 12, 2016, by and among the Predecessor as borrower, Wells Fargo Bank, N.A. as administrative agent and certain lenders provided for a senior revolving credit facility subject to the then-effective borrowing base. At December 31, 2016, the Predecessor had approximately $898 million in total borrowings (including outstanding letters of credit) under this credit facility and there was no remaining availability. The filing of the bankruptcy petitions constituted an event of default that accelerated the Predecessor's obligations under this facility. All outstanding obligations under the Pre-Emergence Credit Facility were canceled and the agreements governing these obligations were terminated on the Effective Date. See Note 2 for additional details on the Pre-Emergence Credit Facility.

Also 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 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 Facility"), also with Wells Fargo Bank, N.A. as administrative agent and certain lenders with up to $1.5 billion of commitments, subject to a reserve borrowing base, and an initial borrowing commitment of $500 million. The RBL Facility also provides a letter of credit sub-facility 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. This facility matures on June 29, 2022. The RBL Facility was used to paydown the outstanding borrowings from the Emergence Credit Facility. All outstanding obligations under the Emergence Credit Facility were canceled and the agreements governing the obligations were terminated on July 31, 2017.

In connection with the issuance of the 2026 Notes (as defined below), the RBL Facility borrowing base was set at $400 million which incorporated a $100 million reduction, or 25% of the face value of the 2026 Notes (as defined below). In March 2018, we completed a borrowing base redetermination which reaffirmed our borrowing base at $400 million with an elected commitment feature that allows us to increase the RBL Facility to $575 million with lender approval. Borrowing base redeterminations become effective on, or about, each May 1 and November 1, although each of us and the administrative agent may make one interim redetermination between scheduled redeterminations.

The outstanding borrowings under the RBL 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 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 euro-dollar loans.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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 lenders under the RBL Facility hold a mortgage on 85% of the present value of our proven oil and gas reserves. The obligations of Berry LLC and the guarantors are also secured by liens on substantially all of our personal property, subject to customary exceptions. The RBL Facility, with certain exceptions, also requires that any future subsidiaries of Berry LLC will also have to grant mortgages, security interests and equity pledges.

The RBL Facility 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.

As of December 31, 2017, the financial performance covenants under our RBL Facility were (i) a leverage ratio of no more than 4.0 to 1.0 and (ii) a current ratio of at least 1.0 to 1.0. In addition, the RBL 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 December 31, 2017, we had approximately $100 million of available borrowing capacity under the RBL Facility.

As a condition of closing our RBL Facility, we were required to have in place the following commodity hedging coverage over our projected crude oil production from PDP reserves, on an annual basis:

	2018	2019
Oil Swaps required by RBL Facility		
Thousands of barrels (MBbls) per year	1,876	1,622
Minimum price	$44.87	$45.94

At December 31, 2017, we were in compliance with all financial 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.

As of December 31, 2017 and December 31, 2016, we had letters of credit outstanding of approximately $21 million and $6 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.

Predecessor's Unsecured Notes

On the Effective Date, pursuant to the terms of the Plan, all outstanding obligations under the Predecessor's Unsecured Notes were canceled and the indentures and related agreements governing these obligations were terminated. See Note 2 for additional information.

Senior Unsecured Notes Offering

In February 2018, we completed a private offering of $400 million, in aggregate, principal amount of 7.000% senior unsecured notes due 2026 (the "2026 Notes"), which resulted in net proceeds to us of

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

approximately $392 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the issuance of the 2026 Notes 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 107.0% 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 100.0% 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.

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 Facility in the event of price deterioration. We have also hedged our exposure to differentials in certain operating areas but do not currently hedge exposure

to natural gas differentials. We also, from time to time, have entered into agreements to purchase a portion of the natural gas we require for our operations that we do not record at fair value as derivatives because they qualify for normal purchases and normal sales exclusions.

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 to provide an economic hedge of the risk related to the future commodity prices received. 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. See Note 1 for further information on our fair value measurement process.

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 December 31, 2017:

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2019	FY 2020
Sold Oil Calls:						
Hedged volume (MBbls)	225	225	225	225	840	390
Weighted average price ($/Bbl)	$55.00	$55.00	$55.00	$55.00	$57.32	$60.00
Oil positions:						
Fixed Price Swaps (NYMEX WTI):						
Hedged volume (MBbls)	1,458	1,474	1,214	1,214	4,197	—
Weighted average price ($/Bbl)	$53.43	$53.43	$52.04	$52.04	$52.05	$ —
Oil basis differential positions:						
ICE Brent-NYMEX WTI basis swaps:						
Hedged volume (MBbls)	360	364	368	368	1,095	—
Weighted average price ($/Bbl)	$ 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 net 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 net settlement payments for prices above the indicated weighted-average price per barrel of WTI and receive net settlement payments for prices below the indicated weighted average price per barrel of WTI.

For oil basis swaps, we make net settlement payments if the difference between Brent and WTI is greater than the indicated weighted average price per barrel and receive net 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

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

classified as Level 2 in the required fair value hierarchy for the periods presented. The following tables present the fair values (at gross and net) of our outstanding derivatives as of December 31, 2017 and December 31, 2016:

		Berry Corp. (Successor) December 31, 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	$ —	$ —	$ —
Commodity Contracts	Non-current assets	—	—	—
Liabilities				
Commodity Contracts	Current liabilities	(49,949)	—	(49,949)
Commodity Contracts	Non-current liabilities	(25,332)	—	(25,332)
Total derivatives		$ (75,281)	$ —	$ (75,281)

		Berry LLC (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 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 zero at December 31, 2017 as we held no derivative asset positions. 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (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)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(in thousands)		
Gains (losses) on oil and natural gas derivatives	$ (66,900)	$ 12,886	$ (15,781)
Lease operating expenses(1)	—	—	(4,605)
Total gains (losses) on oil and natural gas derivatives	$ (66,900)	$ 12,886	$ (20,386)

(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 ten months ended December 31, 2017, the two months ended February 28, 2017 and the year ended December 31, 2016, we received net cash settlements of approximately $3 million, $0.5 million, and $10 million, respectively.

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. On November 13, 2017 the court denied Wells’ motion. Wells filed a notice of appeal on November 27, 2017, but, on February 5, 2018, Wells voluntarily dismissed the appeal against us. As a result, the Bankruptcy Court’s ruling in our favor is final.

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 December 31, 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 CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We have certain commitments under contracts, including purchase commitments for goods and services. At December 31, 2017, purchase obligations of approximately $6 million represented a commitment to invest at least $9 million to extend an existing access road in connection with our Piceance assets, provide access to an existing road 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 2019. If we do not obtain extensions for the road obligation, obtain access to an existing road or construct a new access road, we may trigger the payment obligation which, if we were unable to negotiate resolution, would reduce our capital available for investment. As of December 31, 2017 we had 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 December 31, 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 expensed as part of general and administrative expenses. At December 31, 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)
2018	$ 1,349
2019	1,141
2020	85
2021	87
2022	88
Thereafter	—
Total minimum lease payments	$ 2,750

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 received a right to receive 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 of the Effective Date, all 7,080,000 shares of common stock in Berry Corp. distributable to holders of Unsecured Claims were reserved for future distributions pending resolution of disputed claims.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (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 had been declared or paid as of December 31, 2017. The accreted cumulative and per share value of the dividends as of December 31, 2017 was approximately $18 million and $0.51, respectively.

In March 2018, the board of directors approved a cumulative paid-in-kind dividend on the Series A preferred stock for the periods through December 31, 2017. The cumulative dividend was 0.050907 per share and approximately 1,825,000 shares in total. Also in March 2018, the board of directors approved a $0.158 per share, or approximately $5.6 million, cash dividend on the Series A preferred stock for the quarter ended March 31, 2018. In both cases, the payments were to stockholders of record as of March 15, 2018 to be paid in April 2018.

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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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 Series A Preferred Stock contains no financial or operational covenants restricting our activities or our ability to raise capital.

Conversion Rights—The Series A Preferred Stock may be converted into a number of shares of common stock determined by the applicable conversion rate, 1.00 to 1.00 subject to dilution adjustments, (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 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 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 Securities and Exchange Commission (“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 (“RSUs”) and performance restricted stock units (“PRSUs”) available to certain employees and non-employee 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We included stock-based compensation expense of approximately $30,000 and $1.8 million, respectively, for the ten months ended December 31, 2017, and none for the periods ended February 28, 2017 and December 31, 2016 in lease operating expenses and general and administrative expenses.

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	690	$ 10.12
Vested	(3)	$ 10.12
Forfeited	(5)	$ 10.12
December 31, 2017	682	$ 10.12

As of December 31, 2017, there was approximately $6.0 million of total unrecognized compensation cost related to the unvested restricted stock units. This cost is expected to be recognized over a period of almost three years.

The fair value of the PRSUs was determined on the grant date using a Monte Carlo simulation model based on applicable assumptions. The volatility is derived from corresponding peer group companies which we used in the absence of stock price history for our common stock at the date of grant. The expected life is based on the vesting period of the award. The risk-free rate represents the current three-year, yield-to-maturity U.S. Treasury Bonds as of the grant date. We do not expect to declare dividends to our common shareholders during the term of the PRSUs though such determinations ultimately rest with our board of directors. Estimates of the fair value may not accurately predict the value ultimately realized by the employees who receive the awards, and the ultimate value may not be indicative of the reasonableness of the original estimates of fair value made by us.

The grant date assumptions used in the Monte Carlo valuation of the outstanding PRSU awards were as follows:

	Grant Date
Risk-free interest rate	1.5%
Dividend yield	0%
Volatility factor	56.0%
Expected life (years)	3.0
Fair value of underlying common stock	$ 10.12

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

A summary of the status of changes of unvested shares of performance restricted stock units related to outstanding PRSUs 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	622	$ 7.09
Vested	—	$ —
Forfeited	—	$ —
December 31, 2017	622	$ 7.09

As of December 31, 2017, there were approximately $3.5 million of total unrecognized compensation costs related to the unvested performance restricted stock units. These costs are expected to be recognized over a period of almost three years.

Note 9—Defined Contribution Plan

We sponsor a defined contribution thrift plan under section 401(k) of the Internal Revenue Code to assist all full-time employees in providing for retirement or other future financial needs. The 401(k) plan provides for a matching contribution of up to 6% of an employee's eligible compensation. Employees are eligible to participate in the 401(k) plan on their date of hire.

We expensed approximately $0.8 million, $0 and $0 for the ten months ended December 31, 2017, the two months ended February 28, 2017 and the year ended December 31, 2016, respectively, under the provisions of the 401(k) plan.

Note 10—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.

On December 22, 2017, the U.S. enacted the Tax Cuts and Jobs Act (the "Act") which made significant changes to the Internal Revenue Code of 1986, including lowering the maximum federal corporate income tax rate from 35% to 21%, repealing the corporate alternative minimum tax ("AMT"), and imposing limitations on the use of net operating losses arising in taxable years beginning after December 31, 2017. Although most of the provisions of the Act are not effective until tax years ending after December 31, 2017, the effects of new legislation are recognized upon enactment in accordance with GAAP. As a result, recognition of the tax effects of the Act is required in the consolidated financial statements for the fiscal year ended December 31, 2017.

The FASB and Securities and Exchange Commission ("SEC") issued guidance on accounting for the tax effects of the Act. A company must reflect the income tax effects of those aspects of the Act for which the accounting is complete. To the extent that a company's accounting for certain income tax effects of the Act is incomplete but it is able to determine a reasonable estimate, it must record a provisional estimate in the financial

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

statements. If a company cannot determine a provisional estimate to be included in the financial statements, it should continue to apply the applicable accounting on the basis of the provisions of the tax laws that were in effect immediately before the enactment of the Act. Accordingly, a measurement period may not extend beyond one year from the Act enactment date is allowed for companies to complete the relevant accounting analysis.

The Act reduces the corporate tax rate to 21%, effective January 1, 2018. We have recorded a provisional decrease in our net deferred tax asset before valuation allowance of $2.7 million, with a corresponding net adjustment to deferred income tax expense for the ten months ended December 31, 2017.

We must assess whether our valuation allowance analysis is affected by the Act. As discussed herein, our accounting for the valuation allowance required as a result of the Act is incomplete. However, we have recognized a $1.9 million provisional increase in the valuation allowance as a result of the Act.

Income tax expense (benefit) consisted of the following:

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(in thousands)		
Current taxes:			
Federal	$ 465	$ —	$ —
State	450	221	127
	915	221	127
Deferred taxes:			
Federal	1,888	—	—
State	—	9	(11)
	$2,803	$230	$116

The federal current income tax expense relates to federal AMT liability.

A reconciliation of the federal statutory tax rate to the effective tax rate is as follows:

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
Federal statutory rate	35.0%	35.0%	35.0%
State, net of federal tax benefit	7.2%	—	—
Effect of permanent differences	(0.4%)	—	—
Tax reform—rate change(1)	(14.7%)	—	—
Income excluded from nontaxable entities	—	(35.0%)	(35.0%)
Change in valuation allowance	(42.4%)	—	—
Effective tax rate	(15.3%)	— %	— %

(1) Includes the tax rate deduction. The impact of the rate change is fully offset in the Change in valuation allowance above.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Significant components of the deferred tax assets and liabilities are as follows:

	Berry Corp. (Successor) December 31, 2017	Berry LLC (Predecessor) December 31, 2016
	(in thousands)	
Deferred tax assets:		
Net operating loss carryforwards	$ 1,556	$ —
Accruals	2,144	—
Asset retirement obligations	27,064	—
Derivative instruments	18,982	—
Tax credits	528	—
Other	867	—
Subtotal	51,141	—
Valuation allowance	(7,748)	—
Total	43,393	—
Deferred tax liabilities:		
Book tax differences in property basis	(45,281)	—
Total	(45,281)	—
Net deferred tax liability	$ (1,888)	$ —

We assessed the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative loss incurred in 2017 since the Effective Date. In the absence of other objectively verifiable evidence, including the reversal of existing federal and state temporary differences, such objective evidence limits the ability to consider other subjective evidence, such as our projections for future growth.

Under the Act, the net operating losses generated in years beginning after December 31, 2017 may only be carried forward and may only be used to offset up to 80% of taxable income. We considered this in our scheduling of the reversal of existing temporary differences, including deferred tax assets that are expected to generate future net operating losses subject to this limitation. Based on our evaluation, as of December 31, 2017, we recognized a valuation allowance of $7.7 million against our net deferred tax assets of $5.9 million. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased or if objective negative evidence in the form of cumulative losses is no longer present and additional weight is given to subjective evidence such as our projections for growth.

As of December 31, 2017, the Company had net operating loss (“NOL”) carryforwards for federal income tax reporting purposes of $7.4 million. This NOL carryforward balance is subject to the 20-year carryforward period and will expire in 2037.

We had $528,000 of AMT credit carryforwards as of December 31, 2017, which are refundable over a four year period beginning in tax year 2018 as a result of the Act. The AMT credit carryforward is being recognized as a deferred tax asset on our consolidated balance sheet rather than as a long-term receivable.

We had no material uncertain tax positions at December 31, 2017. We do not believe that it is reasonably possible that the total unrecognized benefits will significantly increase within the next 12 months.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We are subject to taxation in the United States and various state jurisdictions. We are not currently under audit by any federal or state taxing authority. The 2017 federal and state tax returns remain open to examination under the respective statute of limitations.

Note 11—Supplemental Disclosures to the Balance Sheets and Statements of Cash Flows

Other current assets reported on the balance sheets included the following:

	Berry Corp (Successor) December 31, 2017	Berry LLC (Predecessor) December 31, 2016
	(in thousands)	
Prepaid expenses	$ 6,901	$ 4,149
Greenhouse gas allowances	—	3,087
Oil inventories, materials and supplies	5,938	3,299
Deferred financing costs	—	5,613
Other	1,227	70
Other current assets	$ 14,066	$ 16,218

Other noncurrent assets include approximately $20 million in deferred financing costs at December 31, 2017 and $15 million in greenhouse gas emission allowances at December 31, 2016.

Accounts payable and accrued expenses on the balance sheets included the following:

	Berry Corp. (Successor) December 31, 2017	Berry LLC (Predecessor) December 31, 2016
	(in thousands)	
Accounts payable-trade	$ 15,469	$ 2,459
Accrued expenses	34,359	39,124
Royalties payable	25,793	6,858
Greenhouse gas liability	10,446	2,861
Taxes other than income tax liability	8,437	13,372
Other	3,373	4,324
	$97,877	$68,998

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Supplemental Cash Flow Information

Supplemental disclosures to the statements of cash flows are presented below:

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(in thousands)		
Supplemental Disclosures of Significant Non-Cash Investing Activities:			
Increase in accrued liabilities related to purchases of property and equipment	$ 2,483	$ 2,249	$ 2,266
Supplemental Disclosures of Cash Payments:			
Interest, net of amounts capitalized	$ 14,276	$ 8,057	$ 57,759
Income taxes	$ 1,994	$ —	$ 347
Reorganization items, net	$ 1,732	$ 11,838	$ 19,116

Note 12—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 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 during the transitional 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 Berry LLC certain assets that relate 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 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.

For the ten months ended December 31, 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. For the year ended December 31, 2016, the Predecessor incurred management fee expenses of $69 million. At December 31, 2016, we had a receivable due from LINN Energy of $3.0 million included in "accounts receivable, net" and approximately $43 million due to LINN Energy included in "liabilities subject to compromise" on the balance sheet at December 31, 2016. We had none at December 31, 2017.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The Predecessor made no cash distributions to LINN Energy during the year ended December 31, 2016.

One of LINN Energy's former directors is the President and Chief Executive Officer of Superior Energy Services, Inc. ("Superior") which provided oilfield services to the Predecessor. The Predecessor incurred no significant expenditures related to services rendered by Superior and its subsidiaries for the two months ended February 28, 2017 and the year ended December 31, 2016.

Note 13—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 $234 million of proceeds and a $23 million gain.

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 $249 million.

Note 14—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 ten months ended December 31, 2017. The actual amount of our common stock that will be issued from the 7,080,000 shares reserved for Unsecured Claims and included in the 40 million shares above, 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 Claims, is known.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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. Additionally, no incremental shares of potentially dilutive RSUs or PRSUs were included in the diluted EPS calculation as their effect was antidilutive.

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(in thousands except per share amounts)		
Basic EPS calculation			
Net loss	$ (21,068)	n/a	n/a
less: Undeclared dividends on Series A preferred stock	(18,248)	n/a	n/a
Net loss available to common stockholders	$ (39,316)	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 Earnings (loss) per share	$ (0.98)	n/a	n/a
Diluted EPS calculation			
Net loss	$ (21,068)	n/a	n/a
less: Undeclared dividends on Series A preferred stock	(18,248)	n/a	n/a
Net loss available to common stockholders	$ (39,316)	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 Earnings (loss) per share	$ (0.98)	n/a	n/a

Note 15—Subsequent Events

As discussed in Note 1, 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. We adopted these rules on January 1, 2018, on a retrospective basis. The adoption of these rules resulted in the inclusion of restricted cash amounts in our beginning and ending cash balances on the statement 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table provides a reconciliation of Cash, cash equivalents and restricted cash as reported in the Consolidated Statements of Cash Flows to the line items within the Consolidated Balance Sheets:

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(in thousands)		
Beginning of Period			
Cash and cash equivalents	$ 32,049	$ 30,483	$ 1,023
Restricted cash	52,860	197,793	250,359
Restricted cash in other noncurrent assets	125	128	128
Cash, cash equivalents and restricted cash	$ 85,034	$ 228,404	$ 251,510
Ending of Period			
Cash and cash equivalents	$ 33,905	$ 32,049	$ 30,483
Restricted cash	34,833	52,860	197,793
Restricted cash in other noncurrent assets	—	125	128
Cash, cash equivalents and restricted cash	$ 68,738	$ 85,034	$ 228,404

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".

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:

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
	(in thousands)		
Property acquisition costs:			
Proved	$ 249,338	—	$ 1,545
Unproved	—	—	—
Exploration costs	—	—	—
Development costs	60,381	4,544	13,091
Total costs incurred	$ 309,719	4,544	$ 14,636

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:

	Berry Corp (Successor)	Berry LLC (Predecessor)
	December 31, 2017	December 31, 2016
	(in thousands)	
Oil, natural gas, and NGLs:		
Proved properties	$ 911,478	$ 4,262,155
Unproved properties	517,037	764,655
	1,428,515	5,026,810
Less accumulated depletion and amortization	(58,525)	(2,789,368)
	$ 1,369,990	$ 2,237,442

Results of Oil and Natural Gas Producing Activities

The results of operations for oil, natural gas and NGL producing activities (excluding items such as corporate overhead, interest costs and reorganization items, net) are presented below:

	Berry Corp. (Successor)	Berry LLC (Predecessor)	
	Ten Months Ended December 31, 2017	Two Months Ended February 28, 2017	Year Ended December 31, 2016
		(in thousands)	
Net revenues from production:			
Oil, natural gas and NGL sales	$ 357,928	74,120	$ 392,345
Electricity sales	21,972	3,655	23,204
Other production-related revenue	6,569	2,003	10,899
	386,469	79,778	426,448
Operating costs for production:			
Lease operating expenses	149,599	28,238	185,056
Electricity generation expenses	14,894	3,197	17,133
Transportation expenses	19,238	6,194	41,619
Production-related general and administrative expenses	5,786	—	—
Taxes, other than income taxes	34,211	5,212	24,982
Other production-related costs	2,320	653	3,100
	226,048	43,494	271,890
Other costs:			
Depreciation, depletion and amortization	67,051	26,743	169,605
Impairment of long-lived assets	—	—	1,030,588
(Gains) losses on sale of assets and other, net	(22,930)	—	(7)
	44,121	26,743	1,200,186
Income tax expense (benefit)	45,887	230	116
Results of operations	$ 70,412	9,311	$ (1,045,743)

Income tax is calculated by applying the current federal and state statutory tax rates to the revenues after deducting costs, which include DD&A allowances, after giving effect to permanent differences. The federal statutory rates for the periods presented above were not adjusted by recently enacted Tax Reform Legislation. There is no federal tax provision included in the Predecessors results above because the Predecessor was not subject to federal income taxes during those periods. The income tax amount included in the Predecessor's 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, 2017 and December 31, 2016, 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:

	Berry Corp. (Successor) Year Ended December 31, 2017			
	Oil MBbls	NGL MBbls	Natural Gas MMcf	Total MBoe
Total proved reserves:				
Beginning of year (Predecessor)	55,876	15,078	372,760	133,080
Revisions of previous estimates	9,089	431	32,144	14,878
Sales of proved reserves in place	(13)	(13,329)	(285,168)	(60,870)
Purchase of proved reserves in place	24,332	—	—	24,332
Extensions and discoveries	18,783	—	136,719	41,570
Production	(7,471)	(909)	(19,351)	(11,605)
End of year	100,596	1,271	237,104	141,385
Proved developed reserves:				
Beginning of year (Predecessor)	55,422	15,078	372,760	132,626
End of year	68,490	1,271	100,384	86,492
Proved undeveloped reserves:				
Beginning of year (Predecessor)	454	—	—	454
End of year	32,106	—	136,720	54,893

	Berry LLC (Predecessor) 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 and discoveries	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:				
Beginning of year	93,892	16,953	387,848	175,487
End of year	55,422	15,078	372,760	132,626
Proved undeveloped reserves:				
Beginning of year	—	—	—	—
End of year	454	—	—	454

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 increased by approximately 8,305 MBoe to approximately 141,385 MBoe for the year ended December 31, 2017, from 133,080 MBoe for the year ended December 31, 2016. The year ended December 31, 2017, includes approximately 14,878 MBoe of positive revisions of previous estimates due to

higher commodity prices. Extensions and discoveries, contributed approximately 41,570 MBoe to the increase in proved reserves, primarily due to the certainty attained in the Company's future commitment to capital as a result of its emergence from bankruptcy allowing inclusion of PUDs previously excluded due to the SEC five-year development limitation on PUDs, as well as from 93 productive wells drilled during the year. Lastly, the Hugoton Disposition and Hill Acquisition had a net negative impact on proved reserves of approximately 36,538 MBoe (negative impact on reserves from the Hugoton Disposition of approximately 60,870 MBoe offset by the positive impact on reserves from the Hill Acquisition of approximately 24,332 MBoe).

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 MBoe 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.

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 Predecessor was not subject to federal income taxes. Limited liability companies are subject to Texas margin tax; however, these amounts were not material. See Note 10 for additional information about income taxes.

	Berry Corp. (Successor)	Berry LLC (Predecessor)
	December 31,	
	2017	2016
	(in thousands)	
Future estimated revenues	$ 5,580,448	$ 3,131,758
Future estimated production costs	(2,725,548)	(1,893,608)
Future estimated development costs	(678,312)	(220,374)
Future income taxes	(365,330)	—
Future net cash flows	1,811,258	1,017,776
10% annual discount for estimated timing of cash flows	(833,910)	(421,554)
Standardized measure of discounted future net cash flows	$ 977,348	$ 596,222
Representative prices:(1)		
ICE Brent Oil (Bbl)	$ 54.42	
NYMEX WTI Oil (Bbl)		$ 42.64
NYMEX Henry Hub Natural gas (MMBtu)	$ 2.98	$ 2.48

(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:

	Berry Corp. (Successor)	Berry LLC (Predecessor)
	December 31,	
	2017	2016
	(in thousands)	
Standardized measure—beginning of year	$ 596,222	$ 995,372
Sales and transfers of oil, natural gas and NGL produced during the period	(189,355)	(140,688)
Changes in estimated future development costs	6,399	66,386
Net change in sales and transfer prices and production costs related to future production	224,064	(242,982)
Extensions, discoveries and improved recovery	157,717	21,610
Purchase of minerals in place	317,616	—
Sales of minerals in place	(141,998)	—
Previously estimated development costs incurred during the period	6,913	—
Net change due to revisions in quantity estimates	124,609	(158,474)
Accretion of discount	59,622	99,537
Net change in income taxes	(136,810)	—
Changes in production rates and other	(47,651)	(44,539)
Net increase (decrease)	381,126	(399,150)
Standardized measure—end of year	$ 977,348	$ 596,222

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 CORPORATION

SUPPLEMENTAL QUARTERLY FINANCIAL DATA
(Unaudited)

	Berry LLC (Predecessor)	Berry Corp. (Successor)			
			Quarters Ended		
	Two Months Ended February 28	One Month Ended March 31	June 30	September 30	December 31
	(in thousands)				
2017:					
Total revenues and other(1)	$ 92,718	$ 59,655	$134,721	$ 69,910	$ 55,382
Total expenses(2)	79,607	37,783	113,380	101,397	92,189
(Gains) losses on sale of assets and other, net	(183)	—	5	(20,692)	(2,243)
Reorganization items, net, expense (income)	507,720	1,306	(713)	408	730
Net income (loss)	(502,964)	11,377	12,119	(9,684)	(34,880)
Net income (loss) available to common stockholders	(502,964)	9,585	6,715	(15,169)	(40,447)
Earnings (loss) per share attributable to common stockholders:					
Basic(3)	n/a	$ 0.24	$ 0.17	$ (0.38)	$ (1.01)
Diluted(3)	n/a	$ 0.15	$ 0.16	$ (0.38)	$ (1.01)

	Berry LLC (Predecessor)(3)			
	Quarters Ended			
	March 31	June 30	September 30	December 31
	(in thousands)			
2016:				
Total revenues and other(1)	$ 91,266	$108,639	$ 113,225	$ 97,861
Total expenses(2)	1,196,393	133,868	111,600	118,207
(Gains) losses on sale of assets and other, net	(192)	425	(370)	28
Reorganization items, net expense (income)	—	(49,086)	87,915	33,833
Net income (loss)	(1,124,819)	6,840	(98,438)	(66,779)

(1) Includes net derivative gains (losses).
(2) Includes the following expenses: lease operating, transportation, electricity generation, marketing, general and administrative, depreciation, depletion and amortization, impairment of long-lived assets and taxes, other than income taxes.
(3) 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.

The accompanying notes are an integral part of these condensed consolidated financial statements

BERRY PETROLEUM CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)
(Unaudited)

	Berry Corp. (Successor)	
	March 31, 2018	December 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	$ 67,090	$ 33,905
Accounts receivable, net of allowance of $968 at March 31, 2018 and $970 at December 31, 2017	53,559	54,720
Restricted cash	21,549	34,833
Other current assets	13,221	14,066
Total current assets	155,419	137,524
Noncurrent assets:		
Oil and natural gas properties	1,353,036	1,342,453
Accumulated depletion and amortization	(70,086)	(54,785)
	1,282,950	1,287,668
Other property and equipment	110,028	104,879
Accumulated depreciation	(7,010)	(5,356)
	103,018	99,523
Other noncurrent assets	20,713	21,687
Total assets	$1,562,100	$1,546,402
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 92,081	$ 97,877
Derivative instruments	64,092	49,949
Liabilities subject to compromise	21,549	34,833
Total current liabilities	177,722	182,659
Noncurrent liabilities:		
Long-term debt	391,123	379,000
Derivative instruments	27,984	25,332
Deferred income taxes	2,827	1,888
Asset retirement obligation	95,364	94,509
Other noncurrent liabilities	5,968	3,704
	523,266	504,433
Commitments and Contingencies-Note 6		
Equity:		
Successor Series A convertible preferred stock ($.001 par value, 250,000,000 shares authorized and 35,845,001 shares issued at March 31, 2018 and December 31, 2017)	335,000	335,000
Successor common stock ($.001 par value, 750,000,000 shares authorized and 32,995,233 shares issued at March 31, 2018 and 32,920,000 shares issued at December 31, 2017)	33	33
Additional paid-in-capital	540,737	545,345
Accumulated deficit	(14,658)	(21,068)
Total Equity	861,112	859,310
Total liabilities and equity	$1,562,100	$1,546,402

The accompanying notes are an integral part of these condensed consolidated financial statements

BERRY PETROLEUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands)
(Unaudited)

	Berry Corp. (Successor)		Berry LLC (Predecessor)
	Three Months Ended March 31, 2018	One Month Ended March 31, 2017	Two Months Ended February 28, 2017
Revenues and other:			
Oil, natural gas and natural gas liquids sales	$ 125,624	$ 33,678	$ 74,120
Electricity sales	5,453	891	3,655
(Losses) gains on oil and natural gas derivatives	(34,644)	24,123	12,886
Marketing revenues	785	281	633
Other revenues	66	682	1,424
	97,284	59,655	92,718
Expenses and other:			
Lease operating expenses	44,303	13,064	28,238
Electricity generation expenses	4,590	1,148	3,197
Transportation expenses	2,978	3,655	6,194
Marketing expenses	580	270	653
General and administrative expenses	11,985	9,543	7,964
Depreciation, depletion and amortization	18,429	7,022	28,149
Taxes, other than income taxes	8,256	3,081	5,212
(Gains) losses on sale of assets and other, net	—	—	(183)
	91,121	37,783	79,424
Other income and (expenses):			
Interest expense	(7,796)	(1,715)	(8,245)
Other, net	27	—	(63)
	(7,769)	(1,715)	(8,308)
Reorganization items, net	8,955	(1,306)	(507,720)
Income (loss) before income taxes	7,349	18,851	(502,734)
Income tax expense (benefit)	939	7,474	230
Net income (loss)	6,410	11,377	$ (502,964)
Dividends on Series A preferred stock	(5,650)	(1,792)	n/a
Net income available to common stockholders	$ 760	$ 9,585	n/a
Earnings per share attributable to common stockholders:			
Basic	$ 0.02	$ 0.24	n/a
Diluted	$ 0.02	$ 0.15	n/a

The accompanying notes are an integral part of these condensed consolidated financial statements

BERRY PETROLEUM CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Berry Corp. (Successor)		Berry LLC (Predecessor)
	Three Months Ended March 31, 2018	One Month Ended March 31, 2017	Two Months Ended February 28, 2017
Cash flow from operating activities:			
Net income (loss)	$ 6,410	$ 11,377	$ (502,964)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation, depletion and amortization	18,429	7,022	28,149
Amortization of debt issuance costs	1,223	71	416
Stock-based compensation expense	1,042	—	—
Deferred income taxes	939	7,474	9
(Decrease) increase in allowance for doubtful accounts	(2)	970	—
Derivative activities:			
Total (gains) losses	34,644	(24,123)	(12,886)
Cash settlements	(17,849)	1,130	534
(Gains) losses on sale of assets and other, net	—	—	(25)
Reorganization items, net	(9,000)	705	501,872
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	1,163	15,716	(9,152)
(Increase) decrease in other assets	554	997	(2,842)
Increase (decrease) in accounts payable and accrued expenses	(7,323)	1,830	18,330
Increase (decrease) in other liabilities	(2,638)	1,065	990
Net cash provided by operating activities	27,592	24,234	22,431
Cash flows from investing activities:			
Capital expenditures:			
Development of oil and natural gas properties	(14,727)	(3,765)	(859)
Purchases of other property and equipment	(5,149)	(3,935)	(2,299)
Proceeds from sale of properties and equipment and other	—	—	25
Net cash used in investing activities	(19,876)	(7,700)	(3,133)
Cash flows from financing activities:			
Proceeds from issuance of senior unsecured notes	400,000	—	—
Proceeds from sale of Series A convertible preferred stock	—	—	335,000
Repayments on pre-emergence credit facility	—	—	(497,668)
Repayments on emergence credit facility	—	(25,000)	—
Repayments on new credit facility	(379,000)	—	—
Debt issuance costs	(8,815)	—	—
Net cash provided by (used in) financing activities	12,185	(25,000)	(162,668)
Net increase (decrease) in cash, cash equivalents and restricted cash	19,901	(8,466)	(143,370)
Cash, cash equivalents and restricted cash:			
Beginning	68,738	85,034	228,404
Ending	$ 88,639	$ 76,568	$ 85,034

The accompanying notes are an integral part of these condensed consolidated financial statements

BERRY PETROLEUM CORPORATION (Successor)
CONDENSED CONSOLIDATED STATEMENT OF EQUITY
(in thousands)
(Unaudited)

	Series A Convertible Preferred Stock		Common stock		Additional Paid-in Capital	Accumulated Deficit	Total equity
Balance, December 31, 2017	35,845	$335,000	32,920	$ 33	$545,345	$ (21,068)	$859,310
Stock-based compensation	—	—	—	—	1,042	—	1,042
Issuance of common stock	—	—	75	—	—	—	—
Cash dividends declared on Series A preferred stock	—	—	—	—	(5,650)	—	(5,650)
Net income	—	—	—	—	—	6,410	6,410
Balance, March 31, 2018	35,845	$335,000	32,995	$ 33	$540,737	$ (14,658)	$861,112

The accompanying notes are an integral part of these condensed consolidated financial statements

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

Note 1—Basis of Presentation

"Berry Corp." refers to Berry Petroleum Corporation, a Delaware corporation which is the sole member of Berry Petroleum Company, LLC, as of February 28, 2017.

"Berry LLC" refers to Berry Petroleum Company, LLC, a Delaware limited liability company.

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 of and after February 28, 2017, as a whole or (ii) either Berry Corp. or Berry LLC on an individual basis as of and after February 28, 2017. 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 June 12, 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 CONSOLIDATED FINANCIAL STATEMENTS (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. This report should be read in conjunction with the financial statements and notes in the Company's audited financial statements for the year ended December 31, 2017.

The condensed consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") and include the accounts of the Successor and its wholly owned subsidiary after February 28, 2017 and the accounts of the Predecessor prior to February 28, 2017. All significant intercompany transactions and balances have been eliminated upon consolidation. For oil and gas exploration and production joint ventures in which we have a direct working interest, we account for our proportionate share of assets, liabilities, revenue, expense and cash flows within the relevant lines of the financial statements.

Bankruptcy Accounting

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.

Use of Estimates

The preparation of the accompanying consolidated financial statements in conformity with GAAP required 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.

As fair value is a market-based measurement, it was determined based on the assumptions that we believe market participants would use. Determination of these assumptions were based on management's best estimates and judgment. Management evaluates its 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 assumptions are adjusted when management determines that 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 these assumptions resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

The estimates that are particularly significant to the financial statements include estimates of our reserves of oil and gas, future cash flows from oil and gas properties, depreciation, depletion and amortization, asset retirement obligations, certain revenues and expenses, fair values of commodity derivatives and fair values of assets acquired and liabilities assumed. 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Recently Adopted Accounting Standards

In November 2016, the Financial Accounting Standards Board ("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. We adopted these rules retrospectively on January 1, 2018, as a result of which we included restricted cash amounts in our beginning and ending cash balances on the statement of cash flows and included a disclosure reconciling cash and cash equivalents presented on the balance sheets to cash, cash equivalents and restricted cash on the statement of cash flows (see Note 9).

New Accounting Standards Issued, But Not Yet Adopted

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, 2019, including interim periods within those fiscal years, with earlier application permitted. We expect the adoption of these rules to primarily impact other assets and other liabilities and do not expect a material impact on our consolidated results of operations.

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, dated February 28, 2017 between Linn Acquisition Company, LLC and Berry Corp. (the "Assignment Agreement"). Under the Assignment Agreement, Berry LLC became a wholly-owned operating subsidiary of Berry Corp.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- 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.
- The holders of Berry LLC'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 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 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.
- 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. The settlement agreement provided Berry LLC with a $25 million general unsecured claim against LINN Energy which Berry LLC has fully-reserved.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Reorganization Items, Net

We have incurred and continue to incur expenses associated with the reorganization. Reorganization items, net represent costs and gains 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:

	Berry Corp. (Successor)		Berry LLC (Predecessor)
	Three Months Ended March 31, 2018	One Month Ended March 31, 2017	Two Months Ended February 28, 2017
	(in thousands)		
Return of Undistributed Funds from Cash Distribution Pool	$ 9,000	$ —	$ —
Refund of pre-emergence prepaid costs	579	—	—
Gain on settlement of liabilities subject to compromise	—	—	421,774
Fresh-start valuation adjustments	—	—	(920,699)
Legal and other professional advisory fees	(624)	(601)	(19,481)
Other	—	(705)	10,686
	$ 8,955	$ (1,306)	$ (507,720)

Note 3—Oil and Natural Gas Properties

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:

	Berry Corp. (Successor)	
	March 31, 2018	December 31, 2017
	(in thousands)	
Proved properties	$ 835,999	$ 825,416
Unproved properties	517,037	517,037
	1,353,036	1,342,453
Accumulated depletion and amortization	(70,086)	(54,785)
	$ 1,282,950	$ 1,287,668

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 4—Debt

The following table summarizes our outstanding debt:

	(in thousands) March 31, 2018	December 31, 2017	Interest Rate	Maturity	Security
RBL Facility	$ —	$ 379,000	variable rates of 0% and 4.8%	June 29, 2022	Mortgage on 85% of PV of proven oil and gas reserves
2026 Notes	400,000	—	7%	February 15, 2026	Unsecured
Long-Term Debt- Principal Amount	400,000	379,000			
Less: Debt Issuance Costs	(8,877)	—			
Long-Term Debt, net	$ 391,123	$ 379,000			

At March 31, 2018 and December 31, 2017, debt issuance costs for the RBL Facility reported in “non current assets” on the balance sheet were approximately $19 million and $21 million net of amortization, respectively. The amortization of debt issuance costs is presented in interest expense on the condensed consolidated statements of operations.

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 reflect market rates. The fair value of the 2026 senior unsecured notes was $404 million at March 31, 2018.

Credit Facilities

On July 31, 2017, we entered into a new credit agreement (“RBL Facility”), with Wells Fargo Bank, N.A. as administrative agent and certain lenders with up to $1.5 billion of commitments, subject to a reserves-based borrowing base. In connection with the issuance of the 2026 Notes (as defined below), the RBL Facility borrowing base was set at $400 million which incorporated a $100 million reduction, or 25% of the face value of the 2026 Notes (as defined below). In March 2018, we completed a borrowing base redetermination which reaffirmed our borrowing base at $400 million with an elected commitment feature that allows us to increase the RBL Facility to $575 million with lender approval.

As of March 31, 2018, the financial performance covenants under our RBL Facility were (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. At March 31, 2018, these ratios were 2.32 to 1.00 and 4.83 to 1.00, respectively. In addition, the RBL 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. We were in compliance with all financial debt covenants.

As of March 31, 2018, we had approximately $393 million of available borrowing capacity under the RBL Facility.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

As of March 31, 2018 and December 31, 2017, we had letters of credit outstanding of approximately $7 million and $21 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.

Senior Unsecured Notes Offering

In February 2018, we completed a private issuance of $400 million in aggregate principal amount of 7.000% senior unsecured notes due 2026 (the "2026 Notes"), which resulted in net proceeds to us of approximately $391 million after deducting expenses and the initial purchasers' discount. We used the net proceeds from the issuance of the 2026 Notes to repay borrowings under the RBL Facility and used the remainder for general corporate purposes.

Note 5—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 Facility in the event of price deterioration. We have also hedged our exposure to differentials in certain operating areas but do not currently hedge exposure to natural gas differentials. We also, from time to time, have entered into agreements to purchase a portion of the natural gas we require for our operations that we do not record at fair value as derivatives because they qualify for normal purchases and normal sales exclusions.

Our current hedge positions consist of primarily oil swap and put 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 to provide an economic hedge of the risk related to the future commodity prices received. 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.

As part of our hedging program, we entered into a number of derivative transactions that resulted in the following WTI-based and Brent-based crude oil contracts as of March 31, 2018:

	Q2 2018	Q3 2018	Q4 2018	FY 2019	FY 2020
Sold Oil Calls:					
Hedged oil volume (MBbls)	225	225	225	840	390
Weighted average price ($/Bbl)	$55.00	$55.00	$55.00	$57.32	$60.00
Oil positions:					
Fixed Price Swaps (NYMEX WTI):					
Hedged volume (MBbls)	1,201	1,214	1,214	4,197	—
Weighted average price ($/Bbl)	$52.04	$52.04	$52.04	$52.05	$ —
Fixed Price Swaps (Brent):					
Hedged volume (MBbls)	273	46	46	—	—
Weighted average price ($/Bbl)	$59.50	$64.58	$64.58	$ —	$ —
Oil basis differential positions:					
ICE Brent-NYMEX WTI basis swaps					
Hedged volume (MBbls)	364	368	368	1,095	—
Weighted average price ($/Bbl)	$ 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.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For fixed-price swaps, we make settlement payments for prices above the indicated weighted-average price per barrel of WTI or Brent and receive settlement payments for prices below the indicated weighted average price per barrel of WTI or Brent.

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 March 31, 2018 and December 31, 2017:

		Berry Corp. (Successor) March 31, 2018		
	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)		
Liabilities				
Commodity Contracts	Current liabilities	$ (64,092)	—	$ (64,092)
Commodity Contracts	Non-current liabilities	(27,984)	—	(27,984)
Total derivatives		$ (92,076)	$ —	$ (92,076)

		Berry Corp. (Successor) December 31, 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)		
Liabilities				
Commodity Contracts	Current liabilities	$ (49,949)	—	$ (49,949)
Commodity Contracts	Non-current liabilities	(25,332)	—	(25,332)
Total derivatives		$ (75,281)	$ —	$ (75,281)

In May 2018, Berry elected to terminate outstanding commodity derivative contracts for all WTI oil swaps and certain WTI/Brent basis swaps for July 2018 through December 2019 and all WTI oil sold call options for July 2018 through June 2020. Termination costs totaled approximately $127 million and were calculated in accordance with a bilateral agreement on the cost of elective termination included in these derivative contracts; the present value of the contracts using the forward price curve as of the date termination was elected, May 24, 2018 and May 25, 2018. Payment was made to the counterparties two business day later. No penalties were charged as a result of the elective termination. Concurrently, Berry Corp. entered into commodity derivative contracts consisting of Brent oil swaps for July 2018 through March 2019 and Brent oil purchased put options for January 2019 through March 2020. These Brent oil swaps hedge 1.8 MMBbls in 2018 and 0.9 MMBbls in 2019 at a weighted average price of $75.66. These Brent oil purchased put options provide a weighted average price floor of $65.00 for 2.8 MMBbls in 2019 and 0.5 MMBbls in 2020. We effected these transactions to move from a WTI-based position to a Brent-based position as well as bring our hedged pricing more in line with current market pricing.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 6—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.

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 March 31, 2018 and December 31, 2017 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.

We have certain commitments under contracts, including purchase commitments for goods and services. At March 31, 2018, purchase obligations of approximately $6 million represented a commitment to invest at least $9 million to construct a new access road in connection with our Piceance assets or provide access to an existing 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 2019. If we do not obtain extensions for the road obligation, provide access to an existing road or construct a new access road, we may trigger the payment obligation which, if we were unable to negotiate resolution, would reduce our capital available for investment. As of March 31, 2018, we had entered into agreements to purchase natural gas for our operations in 2018 for approximately $11 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 March 31, 2018, 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 March 31, 2018, 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)
2018	$ 1,012
2019	1,170
2020	157
2021	159
2022	161
Thereafter	35
Total minimum lease payments	$ 2,694

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 7—Equity

Shares Issued and Outstanding

As of March 31, 2018, there were 32,995,233 shares of common stock issued and outstanding including 75,233 common shares that vested in March 2018 relating to the Company's Omnibus Incentive Plan. An additional 1,551,964 unvested restricted stock units and performance restricted stock units were outstanding under the Company's Omnibus Incentive Plan. A further 7,080,000 common shares have been reserved for issuance to the general unsecured creditor group pending resolution of disputed claims. No dividends have been declared on our common stock.

As of March 31, 2018, there were 35,845,001 Series A convertible shares of preferred stock outstanding. In March 2018, the board of directors approved a cumulative paid-in-kind dividend on the Series A preferred stock for the periods through December 31, 2017. The cumulative dividend was 0.050907 per share and approximately 1,825,000 shares in total. Also in March 2018, the board of directors approved a cash dividend of $0.158 per share, or approximately $5.6 million on the Series A preferred stock for the quarter ended March 31, 2018. In both cases, the payments were to stockholders of record as of March 15, 2018 and were paid in April 2018.

In May 2018, the board of directors approved a cash dividend of $0.15 per share, or approximately $5.7 million on the Series A preferred stock for the quarter ended June 30, 2018. The payment will be to stockholders of record as of June 7, 2018 and will be paid in June 2018.

Stock-Based Compensation

Included in lease operating expenses and general and administrative expenses is stock-based compensation expense of $23,000 and $1.019 million, respectively for the three months ended March 31, 2018 and none for the one month ended March 31, 2017 and two months ended February 28, 2017. The three months ended March 31, 2018 stock-based compensation amount also has an immaterial associated income tax benefit.

The table below summarizes the activity relating to restricted stock units (RSUs) issued under the Company's Omnibus Incentive Plan during the three months ended March 31, 2018. The RSUs vest ratably over three years.

	Number of shares	Weighted average Grant Date Fair Value
	(shares in thousands)	
December 31, 2017	683	$ 10.12
Granted	191	$ 11.24
Vested	(74)	$ 10.12
Forfeited	(2)	$ 10.12
March 31, 2018	798	$ 10.19

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The table below summarizes the activity relating to the performance-based restricted stock units (PRSUs) issued under the Company's Omnibus Incentive Plan during the three months ended March 31, 2018. The PRSUs vest if the Company's stock price reaches certain levels.

	Number of shares	Weighted average Grant Date Fair Value
	(shares in thousands)	
December 31, 2017	622	$ 7.09
Granted	132	$ 7.49
Vested	—	$ —
Forfeited	—	$ —
March 31, 2018	754	$ 7.11

Note 8—Income taxes

For federal and state income tax purposes (with the exception of the State of Texas), the predecessor company was a limited liability company for which income tax liabilities and/or benefits were passed through to the Predecessor's unitholders. 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 company, resulting in an effective tax rate of zero for the two months ended February 28, 2017. The successor company was formed as a C Corporation.

The Tax Cuts and Jobs Act (the "Act") signed into law in December 2017, included a reduction of the U.S. corporate tax rate from 35% to 21% and has imposed limitations on the use of net operating losses arising in taxable years beginning after December 31, 2017. As a result, we have recorded a valuation allowance against our deferred tax assets in the amount of $7.7 million at December 31, 2017 and we continue to evaluate the valuation allowance. These matters were the key contributors to the decrease in our effective tax rate from 40% in the one month ended March 31, 2017 to 13% in the three months ended March 31, 2018. There were no current taxes during the three months ended March 31, 2018.

Note 9—Supplemental Disclosures to the Condensed Consolidated Balance Sheets and Condensed Consolidated Statements of Cash Flows

Other current assets reported on the condensed consolidated balance sheets included the following:

	Berry Corp. (Successor)	
	March 31, 2018	December 31, 2017
	(in thousands)	
Prepaid expenses	$ 5,016	$ 6,901
Oil inventories, materials and supplies	6,977	5,938
Other	1,228	1,227
	$ 13,221	$ 14,066

Other non-current assets at March 31, 2018 and December 31, 2017, included approximately $19 million and $20 million of deferred financing costs, net of amortization, respectively. The major classes of inventory are not material and therefore not stated separately.

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Accounts payable and accrued expenses on the condensed consolidated balance sheets included the following:

	Berry Corp. (Successor)	
	March 31, 2018	December 31, 2017
	(in thousands)	
Accounts payable-trade	$ 9,459	$ 15,469
Accrued expenses	38,555	34,359
Royalties payable	13,955	25,793
Greenhouse gas liability	10,156	10,446
Taxes other than income tax liability	10,394	8,437
Accrued interest	3,912	—
Dividends payable	5,650	—
Other	—	3,373
	$ 92,081	$ 97,877

Supplemental Cash Flow Information

Supplemental disclosures to the statements of cash flows are presented below:

	Berry Corp. (Successor)		Berry LLC (Predecessor)
	Three Months Ended March 31, 2018	One Month Ended March 31, 2017	Two Months Ended February 28, 2017
	(in thousands)		
Supplemental Disclosures of Significant Non-Cash Investing Activities:			
(Decrease) increase in accrued liabilities related to purchases of property and equipment	$ (4,144)	$ 1,653	$ 2,249
Supplemental Disclosures of Cash Payments:			
Interest	$ 2,654	$ 401	$ 8,057
Income taxes	$ —	$ —	$ —
Reorganization items, net	$ 468	$ 601	$ 11,838

The following table provides a reconciliation of Cash, cash equivalents and restricted cash as reported in the Consolidated Statements of Cash Flows to the line items within the Consolidated Balance Sheets:

	Berry Corp. (Successor)		Berry LLC (Predecessor)
	Three Months Ended March 31, 2018	One Month Ended March 31, 2017	Two Months Ended February 28, 2017
	(in thousands)		
Beginning of Period			
Cash and cash equivalents	$ 33,905	$ 32,049	$ 30,483
Restricted cash	34,833	52,860	197,793
Restricted cash in other noncurrent assets	—	125	128
Cash, cash equivalents and restricted cash	$ 68,738	$ 85,034	$ 228,404
Ending of Period			
Cash and cash equivalents	$ 67,090	$ 23,583	$ 32,049
Restricted cash	21,549	52,860	52,860
Restricted cash in other noncurrent assets	—	125	125
Cash, cash equivalents and restricted cash	$ 88,639	$ 76,568	$ 85,034

BERRY PETROLEUM CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Restricted cash is primarily associated with cash reserved to settle claims with the general unsecured creditors resulting from implementation of the Plan.

Note 10—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 continued 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 separated their previously combined enterprise and (iii) the LINN Energy debtors transferred 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.

Under the TSSA, Berry LLC 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, Berry LLC paid 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 was 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 one month ended March 31, 2017, we incurred management fee expenses of approximately $6 million under the TSSA. Since the agreement commenced on the Effective Date, no expenses were incurred for the period ended February 28, 2017.

Note 11—Acquisitions and Divestitures

Chevron North Midway-Sunset Acquisition

In April 2018, we acquired from LINN Energy Holdings, LLC two leases on an aggregate of 214 acres and a lease option on 490 acres (the "Chevron North Midway-Sunset Acquisition") of land owned by Chevron U.S.A. in the north Midway-Sunset field immediately adjacent to assets we currently operate. We assumed a drilling commitment of approximately $34.5 million over a 5-year term and would assume a further minimum 40 well drilling commitment if we exercise our option; but otherwise we paid no consideration. Our drilling commitment will be tolled for a month for each consecutive 30-day period for which the posted price of WTI is less than $45 per barrel. This transaction is consistent with our business strategy to investigate areas beyond our known productive areas.

Note 12—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 three months ended March 31, 2018 and the year ended December 31, 2017. The actual amount of our common stock that will be issued from the 7,080,000 shares reserved for Unsecured Claims and included in the 40 million shares above, 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 Claims, is known. However, while we do not yet know the final amount of shares that we will issue to third parties, we have entered into agreements in March and April 2018 that materially reduced that number.

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 for the three months ended March 31, 2018, as their effect was antidilutive under the "if-converted" method. However, the convertible preferred stock may potentially dilute basic earnings per share in the future.

	Berry Corp. (Successor)		Berry LLC (Predecessor)
	Three Months Ended March 31, 2018	One Month Ended March 31, 2017	Two Months Ended February 28, 2017
Basic EPS calculation			
Net income (loss)	$ 6,410	11,377	n/a
less: Dividends on Series A preferred stock	(5,650)	(1,792)	n/a
Net income (loss) available to common stockholders	$ 760	$ 9,585	n/a
Weighted-average shares of common stock outstanding	32,943	32,920	n/a
Shares of common stock distributable to holders of Unsecured Claims	7,080	7,080	n/a
Weighted-average common shares outstanding-basic	40,023	40,000	n/a
Basic Earnings (loss) per share	$ 0.02	$ 0.24	n/a
Diluted EPS calculation			
Net income (loss)	$ 6,410	$ 11,377	n/a
less: Dividends on Series A preferred stock	(5,650)	(1,792)	n/a
Net income (loss) available to common stockholders	$ 760	$ 9,585	n/a
Weighted-average shares of common stock outstanding	32,943	32,920	n/a
Shares of common stock distributable to holders of Unsecured Claims	7,080	7,080	n/a
Weighted-average common shares outstanding-basic	40,023	40,000	n/a
Dilutive effect of potentially dilutive securities	225	35,845	n/a
Weighted-average common shares outstanding-diluted	40,248	75,845	n/a
Diluted Earnings (loss) per share	$ 0.02	$ 0.15	n/a

ANNEX A

Report as of December 31, 2017

of DeGolyer and MacNaughton

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

January 31, 2018

Berry Petroleum Company, LLC
5201 Truxton Avenue, Suite 100
Bakersfield, CA 93309

Ladies and Gentlemen:

Pursuant to your request, we have prepared estimates of the extent and value of the net proved oil, condensate, natural gas liquids (NGL), and gas reserves, as of December 31, 2017, of certain properties in which Berry Petroleum Company, LLC (Berry) has represented that it owns an interest. This evaluation was completed on January 31, 2018. Berry has represented that these properties account for 100 percent of Berry's net proved reserves as of December 31, 2017. The properties are located in California, Colorado, Texas, and Utah. The net proved reserves estimates have been prepared in accordance with the reserves definitions of Rules 4–10(a) (1)–(32) of Regulation S–X of the Securities and Exchange Commission (SEC) of the United States. This report was prepared in accordance with guidelines specified in Item 1202 (a)(8) of Regulation S–K and is to be used for inclusion in certain SEC filings by Berry.

Reserves estimates included herein are expressed as net reserves. Gross reserves are defined as the total estimated petroleum remaining to be produced from these properties after December 31, 2017. Net reserves are defined as that portion of the gross reserves attributable to the interests owned by Berry after deducting all interests owned by others.

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.

Data used in this evaluation were obtained from reviews with Berry personnel, from Berry files, from records on file with the appropriate regulatory agencies, and from public sources. In the preparation of this report we have relied, without independent verification, upon such 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.

METHODOLOGY AND PROCEDURES

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 19, 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.

Gas reserves estimated herein are expressed as 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 and shrinkage resulting from field separation and processing. 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 herein 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 this report are expressed in barrels (bbl) representing 42 United States gallons per barrel. For reporting purposes, oil and condensate reserves have been estimated separately and are presented herein as a summed quantity.

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.

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 development status shown herein represents the status applicable on December 31, 2017. In the preparation of this study, data available from wells drilled on the evaluated properties through December 31, 2017, were used in estimating gross ultimate recovery. When applicable, gross production estimated through December 31, 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 6 months, since production data from certain properties were available only through June 2017.

PRIMARY ECONOMIC ASSUMPTIONS

Values of proved reserves in this report are expressed in terms of estimated 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 of future net revenue is calculated by discounting the future net revenue at the arbitrary rate of 10 percent per year 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.

Future prices were estimated using guidelines established by the SEC and the Financial Accounting Standards Board (FASB). The assumptions used for estimating future prices and expenses are as follows:

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 $54.42 per barrel and were held constant for the lives of the properties. The Brent oil price of $54.42 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 December 31, 2017. The volume-weighted average prices over the lives of the properties were $48.20 per barrel of oil and condensate and $28.25 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 $2.98 per million British thermal units (MMBtu) and were held constant for the lives of the properties. The Henry Hub gas price of $2.98 per MMBtu is the 12-month average price calculated as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month period prior to December 31, 2017. British thermal unit factors were provided by Berry and used to convert prices from dollars per MMBtu to dollars per thousand cubic feet ($/Mcf). The volume-weighted average price over the lives of the properties was $2.935 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 for proposed undeveloped wells, where they are shown with the individual property.

The estimates of Berry's net proved reserves attributable to the reviewed properties were based on the definition of proved reserves of the SEC and are summarized as follows, expressed in thousands of barrels (Mbbl), millions of cubic feet (MMcf), and thousands of barrels of oil equivalent (Mboe):

	Estimated by DeGolyer and MacNaughton Net Proved Reserves as of December 31, 2017			
	Oil and Condensate (Mbbl)	NGL (Mbbl)	Sales Gas (MMcf)	Oil Equivalent (Mboe)
Proved				
Developed Producing	62,615	1,263	99,997	80,544
Developed Non-Producing	5,875	8	387	5,947
Total Proved Developed	**68,490**	**1,271**	**100,384**	**86,491**
Undeveloped	32,106	0	136,720	54,893
Total Proved	**100,596**	**1,271**	**237,104**	**141,384**

Note: Gas is converted to oil equivalent using an energy equivalent factor of 6,000 cubic feet of gas per 1 barrel of oil equivalent.

The estimated future revenue and costs attributable to the production and sale of Berry's net proved reserves, as of December 31, 2017, of the properties reviewed under the aforementioned assumptions concerning future prices and costs are summarized in thousands of dollars (M$) as follows:

	Proved Developed Producing (M$)	Proved Developed Non-Producing (M$)	Total Proved Developed (M$)	Proved Undeveloped (M$)	Total Proved (M$)
Future Gross Revenue	3,268,939	292,456	3,561,395	2,019,053	5,580,448
Production Taxes	66,914	3,316	70,230	13,186	83,416
Ad Valorem Taxes	85,610	9,520	95,130	62,336	157,466
Operating Expenses	1,692,989	96,657	1,789,646	696,019	2,484,665
Capital Costs	49,872	9,971	59,843	487,888	547,731
Abandonment Costs	92,700	286	92,986	37,596	130,582
Future Net Revenue	1,280,854	173,706	1,454,560	722,028	2,176,588
Present Worth at 10 Percent	762,313	89,447	851,760	262,399	1,114,159

Note: Future income tax expenses 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 December 31, 2017, estimated reserves.

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), 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 and (ii) estimates of the proved developed and proved undeveloped reserves are not presented at the beginning of the 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.

DeGolyer and MacNaughton is an independent petroleum engineering consulting firm that has been providing petroleum consulting services throughout the world since 1936. DeGolyer and MacNaughton does not have any financial interest, including stock ownership, in Berry. Our fees were not contingent on the results of our evaluation. This letter report has been prepared at the request of Berry. DeGolyer and MacNaughton has used all assumptions, data, procedures, and methods that it considers necessary and appropriate to prepare this report.

Submitted,

/s/ DeGolyer and MacNaughton

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

/s/ Gregory K. Graves
Gregory K. Graves, P.E.
Senior Vice President
DeGolyer and MacNaughton

[SEAL]

CERTIFICATE of QUALIFICATION

I, Gregory K. Graves, Petroleum Engineer with DeGolyer and MacNaughton, 5001 Spring Valley Road, Suite 800 East, Dallas, Texas, 75244 U.S.A., hereby certify:

1. That I am a Senior Vice President with DeGolyer and MacNaughton, which company did prepare the letter report addressed to Berry dated January 31, 2018, and that I, as Senior Vice President, was responsible for the preparation of this letter report.

2. That I attended the University of Texas at Austin, and that I graduated with a Bachelor of Science degree in Petroleum Engineering in the year 1984; that I am a Registered Professional Engineer in the State of Texas; that I am a member of the Society of Petroleum Engineers and the Society of Petroleum Evaluation Engineers; and that I have in excess of 33 years of experience in oil and gas reservoir studies and reserves evaluations.

/s/ Gregory K. Graves
Gregory K. Graves, P.E.
Senior Vice President
DeGolyer and MacNaughton

[SEAL]

ADDENDUM

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244
June 28, 2018

Berry Petroleum Company, LLC
5201 Truxton Avenue, Suite 100
Bakersfield, CA 93309

Ladies and Gentlemen:

Pursuant to your request, we have prepared this letter to serve as an addendum, as of December 31, 2017, to our report of third party dated January 31, 2018, containing our opinion of the proved reserves and revenue, as of December 31, 2017, of Berry Petroleum Company, LLC (the ROTP) to present additional information as an extension of the ROTP. This letter was completed on June 28, 2018. The purpose of this letter is to prepare a Price Sensitivity Case on the properties evaluated in the ROTP. This letter is subject to the terms, definitions, assumptions, explanations, conclusions, and conditions described in the ROTP. However, the future price forecast for this Price Sensitivity Case does not meet the guidelines established by the United States Securities and Exchange Commission (SEC); therefore, the reserves and revenue presented herein should not be used to meet the requirements of the SEC.

Oil, condensate, natural gas liquids (NGL), and gas prices in the Price Sensitivity Case differ from the fixed prices in the ROTP. The price forecast for this sensitivity was provided by Berry and has been represented by Berry as reflective of the futures market price of Brent Oil on May 31, 2018, and the futures market price of Henry Hub Gas on May 31, 2018.

The price differentials used herein for each product differ from those used in the ROTP. The price differentials used for this sensitivity were provided by Berry and were represented by Berry as reflective of the price differentials calculated for the properties evaluated in the ROTP during the month of May 2018.

For this letter, the as-of date of this Price Sensitivity Case, December 31, 2017, is the same as that used for the ROTP, and the prices in the following table were applied to the production forecast estimates previously prepared for the properties evaluated in the ROTP. However, the production forecast estimates in this letter were allowed to run until a new economic limit, based on the respective Price Sensitivity Case, was reached. As such, the projections of estimated proved production and revenue present alternative outcomes to the projections of estimated proved production and revenue presented in the ROTP. Except as noted above concerning the price differentials, all other economic components of the evaluation for the Price Sensitivity Case are the same as contained in the ROTP. Even though this Price Sensitivity Case was completed on June 28, 2018, no additional data beyond that used for the ROTP were incorporated herein. A detailed explanation of these economic assumptions is contained under the Primary Economic Assumptions heading of the ROTP.

DeGolyer and MacNaughton

The Price Sensitivity Case oil, condensate, NGL, and gas prices used in this letter are as follows, expressed in dollars per barrel ($/bbl) and dollars per million British thermal units ($/MMBtu):

Year	Oil, Condensate, and NGL Price ($/bbl)	Gas Price ($/MMBtu)
2018	74.59	2.94
2019	72.98	2.75
2020	69.15	2.68
2021 and thereafter	66.49	2.66

The volume-weighted average prices over the lives of the properties were $61.67 per barrel of oil and condensate, $19.49 per barrel of NGL, and $1.943 per thousand cubic feet of gas.

The estimates of Berry's net proved reserves attributable to the properties evaluated under the Price Sensitivity Case described herein are summarized as follows, expressed in thousands of barrels (Mbbl), millions of cubic feet (MMcf), and thousands of barrels of oil equivalent (Mboe):

	Price Sensitivity Case Estimated by DeGolyer and MacNaughton Net Proved Reserves as of December 31, 2017			
	Oil and Condensate (Mbbl)	NGL (Mbbl)	Sales Gas (MMcf)	Oil Equivalent (Mboe)
Proved				
Developed Producing	64,277	1,117	66,937	76,551
Developed Non-Producing	6,013	8	392	6,086
Total Proved Developed	**70,290**	**1,125**	**67,329**	**82,637**
Undeveloped	32,102	0	0	32,102
Total Proved	**102,392**	**1,125**	**67,329**	**114,739**

Note: Gas is converted to oil equivalent using an energy equivalent factor of 6,000 cubic feet of gas per 1 barrel of oil equivalent.

The estimated future revenue and costs attributable to the production and sale of Berry's net proved reserves, as of December 31, 2017, of the properties reviewed under the Price Sensitivity Case described herein are summarized in thousands of dollars (M$) as follows:

	Proved Developed Producing (M$)	Proved Developed Non-Producing (M$)	Total Proved Developed (M$)	Proved Undeveloped (M$)	Total Proved (M$)
Future Gross Revenue	4,028,481	379,021	4,407,502	2,059,708	6,467,210
Production Taxes	65,737	3,514	69,251	11,621	80,872
Ad Valorem Taxes	106,156	12,337	118,493	64,163	182,656
Operating Expenses	1,666,065	98,698	1,764,763	525,438	2,290,201
Capital Costs	49,872	9,971	59,843	347,654	407,497
Abandonment Costs	92,700	286	92,986	34,936	127,922
Future Net Revenue	2,047,951	254,215	2,302,166	1,075,896	3,378,062
Present Worth at 10 Percent	1,205,255	135,557	1,340,812	520,804	1,861,616

Note: Future income tax expenses have not been taken into account in the preparation of these estimates.

DeGolyer and MacNaughton

Apart from the main body of the ROTP, this letter may be subject to misunderstanding or misinterpretation. The ROTP should be relied upon solely as the source of authoritative final results.

Submitted,

/s/ DeGolyer and MacNaughton

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

/s/ Gregory K. Graves

Gregory K. Graves, P.E.
Senior Vice President
DeGolyer and MacNaughton

[SEAL]

ANNEX B

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 attributable to each location in our reserve report as of December 31, 2017 and is based on our reserve estimates. EUR is shown on a combined basis for oil and natural gas.

"*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 differ from those of 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*" means one thousand barrels of oil, condensate or NGLs.

"*MBoe*" means one thousand barrels of oil equivalent.

"*MBoe/d*" means MBoe per day.

"*Mcf*" means one thousand cubic feet, which is a unit of measurement of volume for natural gas.

"*MMBbl*" means one million barrels of oil, condensate or NGLs.

"*MMBoe*" means one million barrels of oil equivalent.

"*MMBtu*" means 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*" means 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.

"*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 pricing 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 12 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.

"*Steamflood*" means cyclic or continuous steam injection.

"*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.

"*Strip Pricing*" means pricing calculated using oil and natural gas price parameters established by current guidelines of the SEC and accounting rules with the exception of pricing that is based on average annual forward-month ICE (Brent) oil and NYMEX Henry Hub natural gas contract pricing in effect on a given date to reflect the market expectations as of that date.

"*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

Common Stock

Goldman Sachs & Co. LLC

Wells Fargo Securities

BMO Capital Markets

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.

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	$ 12,450
FINRA filing fee	15,000
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, whether civil, criminal or administrative, 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. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation's certificate of incorporation, bylaws, disinterested director vote, stockholder vote, agreement or otherwise.

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 the Certificate of Incorporation limits its directors' personal liability to the fullest extent permitted by the DGCL. Article 10 of the 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 who 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 the 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 Certificate of Incorporation, indemnification agreements, and statutes.

The proposed form of Underwriting Agreement to be filed as Exhibit 1.1 to this registration statement provides for indemnification of our directors and officers by the underwriters against certain liabilities arising under the Securities Act or otherwise in connection with this offering.

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.

From the Effective Date through the date of this registration statement, we issued 895,422 RSUs and 754,539 PRSUs to certain of our employees and directors in connection with services provided to us by such persons. As of the date of this registration statement, 696,027 RSUs and 751,971 PRSUs remain outstanding.

The offers, sales and issuances of the securities described in the preceding paragraph were deemed to be exempt from registration either under Rule 701 promulgated under the Securities Act in that the transactions were under compensatory benefit plans and contracts relating to compensation, or under Section 4(a)(2) of the Securities Act in that the transactions were between an issuer and members of its senior executive management and did not involve any public offering within the meaning of Section 4(a)(2).

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. 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 2026 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 $391 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 sold the 2026 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
3.1	Amended and Restated Certificate of Incorporation of Berry Petroleum Corporation
3.2	Form of Certificate of Amendment of Certificate of Incorporation
3.3	Form of Second Amended and Restated Bylaws of Berry Petroleum Corporation
3.4	Certificate of Designation of Series A Convertible Preferred Stock of Berry Petroleum Corporation
3.5	Form of Certificate of Amendment of Certificate of Designation
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	Form of Amended and Restated Stockholders Agreement between Berry Petroleum Corporation and certain holders party thereto
10.4	Amended and Restated Registration Rights Agreement, dated June 28, 2018, among Berry Petroleum Corporation and the holders party thereto
10.5†	Executive Employment Agreement, dated March 1, 2017, between Berry Petroleum Company, LLC and Arthur T. Smith
10.6†	Executive Employment Agreement, dated June 28, 2017, between Berry Petroleum Company, LLC and Cary D. Baetz
10.7†	Executive Employment Agreement, dated June 28, 2017, between Berry Petroleum Company, LLC and Gary A. Grove
10.8†	Amended and Restated Berry Petroleum Corporation 2017 Omnibus Incentive Plan, dated March 7, 2018
10.9†	Berry Petroleum Corporation Form of Restricted Stock Unit Award Agreement
10.10†	Berry Petroleum Corporation Form of Director Restricted Stock Unit Award Agreement
10.11†	Berry Petroleum Corporation Form of Performance-Based Restricted Stock Unit Award Agreement
10.12†	Second Amended and Restated Berry Petroleum Corporation 2017 Omnibus Incentive Plan, dated June 27, 2018

Exhibit Number	Description
10.13†	Berry Petroleum Corporation 2017 Omnibus Incentive Plan dated June 15, 2017
10.14	Form of Indemnification Agreement
10.15	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
10.16	Amendment No. 1, dated as of November 16, 2017, to the 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
10.17	Amendment No. 2, dated as of March 8, 2018, to the 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
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 December 31, 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 underwriters at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery 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 a 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 June 29, 2018.

Berry Petroleum Corporation

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: President and Chief Executive Officer

Each person whose signature appears below hereby constitutes and appoints Kendrick F. Royer, Cary Baetz and Arthur T. Smith, 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 June 29, 2018.

Signature	Title
/s/ Arthur T. Smith Arthur T. Smith	President and Chief Executive Officer, and Director (Principal Executive Officer)
/s/ Cary Baetz Cary Baetz	Executive Vice President and Chief Financial Officer, and Director (Principal Financial and Accounting Officer)
/s/ Eugene J. Voiland Eugene J. Voiland	Director
/s/ Brent S. Buckley Brent S. Buckley	Director
/s/ Kaj Vazales 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.

[Remainder of page intentionally left blank.]

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*]

CERTIFICATE OF AMENDMENT
OF
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
BERRY PETROLEUM CORPORATION

Berry Petroleum Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certifies as follows:

1. The name of the Corporation is Berry Petroleum Corporation.

2. The date of filing of the original Certificate of Incorporation of the Corporation (the "Original Charter") with the Secretary of State of the State of Delaware was February 13, 2017 and the Original Charter was amended and restated by the filing of the Amended and Restated Certificate of Incorporation of the Corporation (the "Current Certificate") with the Secretary of State of the State of Delaware was February 28, 2017.

3. The date of filing of the Certificate of Designation of Series A Convertible Preferred Stock of the Corporation with the Secretary of State of the State of Delaware was February 28, 2017.

4. The execution and filing of this Certificate of Amendment of Amended and Restated Certificate of Incorporation (this "Certificate of Amendment") was approved by (i) the board of directors of the Corporation in accordance with the provisions of Sections 141 and 242 of the General Corporation Law of the State of Delaware (the "DGCL") and (ii) the stockholders of the Corporation in accordance with the provisions of Sections 228 and 242 of the DGCL and the A&R Charter.

5. Article VII of the Current Certificate is hereby amended and restated in its entirety to read as follows:

ARTICLE VII
BOARD OF DIRECTORS

(1) The Board of Directors shall consist of one or more directors and shall be of one class. 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, retirement, disqualification 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, retirement, disqualification 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) Except as set forth in the Stockholders Agreement, dated February 28, 2017, by and among the Corporation and certain holders party thereto, as may be amended from time to time (the "Stockholders Agreement"), or as otherwise required by applicable law 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, either for or without cause, by the affirmative vote of the holders of a majority of the voting power of the then-outstanding shares of capital stock entitled to vote generally in the election of directors of the Corporation. Subject to the terms of the Stockholders Agreement, 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 of the Corporation. 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.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be signed as of , 2018.

BERRY PETROLEUM CORPORATION

Name: Arthur T. Smith
Title: Chief Executive Officer

[*Signature Page to Certificate of Amendment]*

SECOND AMENDED AND RESTATED BYLAWS
OF
BERRY PETROLEUM CORPORATION

ARTICLE I - STOCKHOLDERS

Section 1 Annual Meeting.

(1) An annual meeting of the stockholders (the "Stockholders") of Berry Petroleum Corporation (the "Corporation"), 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 within or without the State of Delaware, on such date, and at such time as the board of directors of the Corporation (the "Board of Directors") shall fix. The Board of Directors may postpone, reschedule or cancel any annual meeting of Stockholders previously scheduled by the Board of Directors.

(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 and in compliance with 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 Notice must be delivered to the Secretary at the principal executive offices of the Corporation not less than 90 nor more than 120 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 60 days after the one-year anniversary of the preceding year's annual meeting, or if no annual meeting was held during the preceding year, a Record Stockholder Notice to be timely must be so received not later than the close of business on 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. 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 for the full term for which such person is standing for election;

b. with respect to any other business that the Record Stockholder proposes to bring before the meeting, a brief description of such business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws of the Corporation (these "Bylaws"), the language of the proposed amendment), 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 representation that the Record Stockholder (or qualified representative of the Record Stockholder) intends to appear at the meeting to make such nomination or propose such business;

(iii) (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

(iv) 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 of the Corporation (the "Chairman of the Board") or, in his or her absence, the Chief Executive Officer of the Corporation (the "Chief Executive Officer") or, in his or her absence, an individual chosen by the Board of Directors 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 the 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 of the Corporation, as may be amended from time to time, (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. Except as set forth in the Stockholders Agreement, dated February 28, 2017, by and among Berry Petroleum Corporation and certain holders party thereto (as may be amended from time to time, the "Stockholders Agreement"), and 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. 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 set forth in the Stockholders Agreement or 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, either for or without cause, by the affirmative vote of a majority of the voting power of the then-outstanding shares of capital stock 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 - [RESERVED]

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 of the Corporation, and by the Secretary or an Assistant Secretary, or the Treasurer or an Assistant Treasurer of the Corporation, 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 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 General Corporation Law of the State of Delaware.

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 Secretary or Treasurer or by an Assistant Secretary or Assistant Treasurer of the Corporation.

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.

ARTICLE IX- AMENDMENTS

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 Convertible Preferred Stock, par value $0.001 per share, of the Corporation (the "Series A Preferred Stock") in any material respect shall require the affirmative vote of the 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 3.4

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*]

CERTIFICATE OF AMENDMENT
OF
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*"), hereby certifies as follows:

1. The name of the Corporation is Berry Petroleum Corporation.

2. The date of filing of the original Certificate of Incorporation of the Corporation with the Secretary of State of the State of Delaware was February 13, 2017 and the Original Charter was amended and restated by the filing of the Amended and Restated Certificate of Incorporation of the Corporation (the "*A&R Charter*") with the Secretary of State of the State of Delaware on February 28, 2017.

3. The date of filing of the Certificate of Designation of Series A Convertible Preferred Stock of the Corporation (the "Cu*rrent Certificate*") with the Secretary of State of the State of Delaware was February 28, 2017.

4. The execution and filing of this Certificate of Amendment of Certificate of Designation of Series A Convertible Preferred Stock of the Corporation (the "*Certificate of Amendment*") was approved by (i) the board of directors of the Corporation in accordance with the provisions of Sections 141 and 242 of the General Corporation Law of the State of Delaware (the "*DGCL*") and (ii) the stockholders of the Corporation in accordance with the provisions of Sections 228 and 242 of the DGCL, the A&R Charter and the Current Certificate.

5. Section 5(b) of the Current Certificate is hereby amended and restated in its entirety to read as follows:

"(b)

(i) 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

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)(i), "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 Corporation's Board of Directors, the fees and expenses of which shall be paid by the Corporation.

(ii) Automatic Conversion. Subject to the provisions of this Section 5(b)(ii) and Section 5(b)(iv), effective immediately upon filing of the Certificate of Amendment, each outstanding share of Series A Preferred Stock shall automatically convert into (w) a number of shares of Common Stock equal to (A) 1.05, multiplied by (B) the Conversion Rate in effect at such time (the "Per Share Stock Amount") and (x) the right to receive an amount in cash equal to (A) $1.75, minus (B) the amount of any cash dividend paid by the Corporation on such share of Series A Preferred Stock in respect of any period commencing on or after April 1, 2018 (the "Per Share Cash Amount"). All holders of record of shares of Series A Preferred Stock shall be sent written notice of the Automatic Conversion Effective Date and the manner and place designated for automatic conversion of all such shares of Series A Preferred Stock pursuant to this Section 5(b)(ii). Such notice need not be sent in advance of the occurrence of the Automatic Conversion Effective Date. All rights with respect to the Series A Preferred Stock converted pursuant to this Section 5(b)(ii), including the rights, if any, to receive notices or vote (other than as a holder of Common Stock), will terminate on the Automatic Conversion Effective Date, except for the rights of the holders thereof to receive the items provided for in the next sentence of this Section 5(b)(ii) and cash in lieu of any fractional shares pursuant to Section 5(b)(iv). No later than two (2) business days following the Automatic Conversion Effective Date, the Corporation shall (y) issue to such holder, in book-entry form, the number of whole shares of Common Stock issuable on such conversion pursuant to this Section 5(b)(ii), and cause the transfer agent for its Common Stock to make book-entry notations for the issuance thereof in the share register of the Corporation, and deliver statements to each holder evidencing the same, and (z) pay the applicable Per Share Cash Amount to such holder. To the extent anything in this Section 5(b)(ii) conflicts with or is inconsistent with anything in Section 5(c), this Section 5(b)(ii) shall take precedence and shall control.

(iii) Notwithstanding anything to the contrary in this Certificate of Designation, if the Corporation in good faith believes that HSR Approval may be required in connection with a conversion pursuant to Section 5(b)(ii), as of the Automatic Conversion Effective Date, such Series A Preferred Stock shall thereafter only represent the right to receive the Per

Share Stock Amount and Per Share Cash Amount on the business day following (A) receipt of such HSR Approval or (B) the date on which Corporation otherwise determines that HSR Approval is not necessary. To the extent that HSR Approval is required in respect of a conversion of Series A Preferred Stock into Common Stock pursuant to this Section 5, the holder of such Series A Preferred Stock and the Corporation each agree to use reasonable best efforts to obtain such HSR Approval as promptly as practicable. Each holder of Series A Preferred Stock to be converted pursuant to this Section 5 and the Corporation shall bear its own costs and expenses incurred in connection obtaining HSR Approval; *provided*, that any filing fees in connection therewith will be borne solely by the holder of such Series A Preferred Stock.

(iv) No fractional shares of Common Stock shall be issued upon conversion of Series A Preferred Stock pursuant to this Section 5, and no certificate or scrip for any such fractional shares shall be issued. Any holder of Series A Preferred Stock who would otherwise be entitled upon such conversion to receive a fraction of a share of Common Stock (after aggregating all fractional shares of Common Stock issuable to such holder), in lieu of such fraction of a share, shall be paid cash equal to such fraction multiplied by the fair value of a share of Common Stock as determined in good faith by the Board of Directors; *provided*, *however*, that in connection with an automatic conversion pursuant to Section 5(b)(ii), the fair value of such fraction of a share shall be equal to such fraction multiplied by the price to be paid by an investor to acquire a share of Common Stock in the Initial Public Offering. No later than two (2) business days following the effective date of any conversion pursuant to this Section 5, the Corporation shall pay cash as provided in this Section 5(b)(iv) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion."

6. Section 5(c) of the Current Certificate is hereby amended and restated in its entirety to read as follows:

"(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)(i)), 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. Such delivery of shares shall be made, at the option of the applicable holder, in certificated form or by book-entry; *provided*, *however*, that in connection with an automatic conversion pursuant to Section 5(b)(ii), such shares shall be issued in book-entry form. 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."

7. Section 7 of the Current Certificate is hereby amended to include the following:

(g) "Automatic Conversion Effective Date" means the effective date of the automatic conversion pursuant to Section 5(b)(ii).

(h) "Certificate of Amendment" means the Certificate of Amendment of Certificate of Designation of Series A Convertible Preferred Stock of Berry Petroleum Corporation, filed with the Secretary of State of the State of Delaware on .

(i) "HSR Approval" means approval pursuant to, or the expiration or early termination of applicable waiting periods under, the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

(j) "Initial Public Offering" means the initial sale or distribution to the public of equity securities of the Corporation pursuant to an offering registered under the Securities Act of 1933, as amended.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be executed by its duly authorized officer this day of , 2018.

BERRY PETROLEUM CORPORATION

Name: Arthur T. Smith
Title: Chief Executive Officer

[*Signature Page to Certificate of Amendment]*


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.

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 GIT 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

TABLE OF CONTENTS

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

Vinson&Elkins

, 2018

Berry Petroleum Corporation
5201 Truxtun Ave.
Bakersfield, California 93309

Re: Registration Statement on Form S-1

Ladies and Gentlemen:

We have acted as counsel for Berry Petroleum Corporation, a Delaware corporation (the "Company"), in connection with the proposed offer and sale (the "Offering") by the Company and the selling stockholders (the "Selling Stockholders"), pursuant to a prospectus forming a part of a Registration Statement on Form S-1, Registration No. 333- , originally filed by the Company with the Securities and Exchange Commission on July 29, 2018 (such Registration Statement, as amended at the effective date thereof, being referred to herein as the "Registration Statement"), of up to shares of common stock, par value $0.001 per share, of the Company (the "Common Shares").

In connection with this opinion, we have assumed that (i) the Registration Statement, and any amendments thereto (including post-effective amendments), will have become effective, (ii) the Common Shares will be issued and sold in the manner described in the Registration Statement and the prospectus relating thereto and (iii) a definitive underwriting agreement, in the form filed as exhibits to the Registration Statement, with respect to the sale of the Common Shares will have been duly authorized and validly executed and delivered by the Company and the other parties thereto.

In connection with the opinion expressed herein, we have examined, among other things, (i) the Amended and Restated Certificate of Incorporation of the Company, the form of Certificate of Amendment of Certificate of Incorporation, the Certificate of Designation of Series A Convertible Preferred Stock of the Company, the form of Certificate of Amendment of Certificate of Designation and the form of Second Amended and Restated Bylaws of the Company filed as an exhibit to the Registration Statement, (ii) the records of corporate proceedings that have occurred prior to the date hereof with respect to the Offering, (iii) the Registration Statement and (iv) the form of underwriting agreement filed as an exhibit to the Registration Statement. We have also reviewed such questions of law as we have deemed necessary or appropriate. As to matters of fact relevant to the opinion expressed herein, and as to factual matters arising in connection with our examination of corporate documents, records and other documents and writings, we relied upon certificates and other communications of corporate officers of the Company, without further investigation as to the facts set forth therein. In making such examination and rendering the opinion set forth below, we have assumed without verification the genuineness of all signatures, the authenticity of all

documents submitted to us as originals, the conformity to originals of all documents submitted to us as copies, and the legal capacity of all individuals executing any of the foregoing documents

Based upon the foregoing, and subject to the qualifications and limitations stated herein, we are of the opinion that:

(a) with respect to the Common Shares to be issued and sold by the Company, when the Common Shares have been delivered in accordance with a definitive underwriting agreement approved by the Board of Directors of the Company and upon payment of the consideration provided for therein (not less than the par value of the Common Shares), such Common Shares will be validly issued, fully paid and nonassessable; and

(b) with respect to the Common Shares proposed to be sold by the Selling Stockholders, such Common Shares have been validly issued, fully paid and are nonassessable.

The foregoing opinions are limited in all respects to the General Corporation Law of the State of Delaware (including the applicable provisions of the Delaware Constitution and the reported judicial decisions interpreting these laws) and the federal laws of the United States of America, and we do not express any opinions as to the laws of any other jurisdiction.

The foregoing opinions are limited to the matters expressly stated herein, and no opinion is to be inferred or implied beyond the opinions expressly set forth herein. We undertake no, and hereby disclaim any, obligation to make any inquiry after the date hereof or to advise you of any changes in any matter set forth herein, whether based on a change in the law, a change in any fact relating to the Company or any other person or any other circumstance.

We hereby consent to the statements with respect to us under the heading “Legal Matters” in the prospectus forming a part of the Registration Statement and to the filing of this opinion as an exhibit to the Registration Statement. In giving this consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended.

Very truly yours,

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

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

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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

Schedule 8
Transferred Hardware

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

Schedule 8
Transferred Hardware

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.

AMENDED AND RESTATED STOCKHOLDERS AGREEMENT

This Amended and Restated Stockholders Agreement (this "Agreement") is made as of [•], 2018, by and among Berry Petroleum Corporation, a Delaware corporation (the "Company"), and the Stockholder Group (as defined below).

BACKGROUND

The Stockholder Group as of the date of that certain Stockholders Agreement dated February 28, 2017 (the "Original Stockholders Agreement") 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 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 Company and members of the Stockholder Group representing a majority of the outstanding Shares (as defined below), including Benefit Street and Oaktree (each as defined below), have agreed to amend and restate the terms of the Original Stockholders Agreement.

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.

"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.

"Director" means a member of the Board.

"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) causing the adoption of Stockholders' resolutions and amendments to the Organizational Documents, (iv) executing agreements and instruments, (v) 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, (vi) causing the election or removal of Directors, or the filling of Board vacancies, and (vii) 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.

"Oaktree" means Oaktree Capital Management.

"Original Stockholders Agreement" has the meaning set forth in the preamble of this Agreement.

"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.

"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; Generally. Each Stockholder and the Company hereby agrees to take all Necessary Action so as to:

(i) cause the Board to be constituted with seven individuals during the term of this Agreement; and

(ii) take or cause to be taken all such action as may be necessary to effect the provisions of this Section 2.1.

(b) Board Composition. Each of the Stockholders and the Company shall take all Necessary Action to cause the Board to be constituted as follows:

(i) Chief Executive Officer. The Company shall take all Necessary Action to include in the slate of nominees to be recommended by the Board of Directors for election as director at each applicable annual or special meeting of shareholders at which directors are to be elected the individual holding the office of Chief Executive Officer (or interim Chief Executive Officer) of the Company (which individual is Arthur Tremaine Smith as of the date of this Agreement).

(ii) Stockholder Representation. The Company shall take all Necessary Action to include in the slate of nominees to be recommended by the Board of Directors for election as director at each applicable annual or special meeting of shareholders at which directors are to be elected the following individuals:

(A) for so long as Benefit Street beneficially owns at least 10% of the Shares, one individual designated by Benefit Street (which individual is Brent Buckley as of the date of this Agreement); and

(B) for so long as Oaktree beneficially owns at least 10% of the Shares, one individual designated by Oaktree (which individual is Kaj Vazales 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.

(c) Removal; Vacancies.

(i) Each Director shall hold office from the time of his or her appointment until his or her death, resignation, retirement, disqualification or removal in accordance with the Organizational Documents; provided, however, that upon written notice to the Company, a Director designated pursuant to Section 2.1(b) may be removed by the Person entitled to designate such Director and the Company shall take all Necessary Action to cause the removal of any such designee at the request of the Person entitled to designate such Director.

(ii) Each Person entitled to designate such Director pursuant to Section 2.1(b) shall have the exclusive right to designate directors to fill vacancies in the Board of Directors created by reason of death, removal or resignation of its designees to the Board of Directors until the annual meeting following the date on which such Person falls below the applicable percentage of shareholder ownership set forth in 2.1(b), and the Company shall take all Necessary Action to cause any such vacancies to be filled by replacement directors designated by such designating Person as promptly as reasonably practicable.

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 on February 28, 2020 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(b)(ii), such designating Person's approval shall be required; and

(c) 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: _____
Name: Arthur T. Smith
Title: Chief Executive Officer

Address for Notices:

Berry Petroleum Corporation
5201 Truxtun Avenue
Bakersfield, CA 93309
Attention: Kendrick F. Royer
Email: kroyer@bry.com
Telephone: 214-453-2928

STOCKHOLDER:

By: _____

Name:
Title:

Address for Notices:

_____

Address - Line 1

_____

Address - Line 2

_____

Address - Line 3

_____

Attention

_____

Email

_____

Facsimile

_____

Telephone

Exhibit 10.4

AMENDED AND RESTATED

REGISTRATION RIGHTS AGREEMENT

by and among

BERRY PETROLEUM CORPORATION

and

THE HOLDERS PARTY HERETO

Dated as of June 28, 2018

TABLE OF CONTENTS

AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

THIS AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (this "**Agreement**") is made as of June 28, 2018 by and among Berry Petroleum Corporation, a Delaware corporation (the **"Company**") and the Holders (as defined herein) party hereto.

RECITALS

WHEREAS, 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**"), the Company issued the Registrable Securities;

WHEREAS, in connection with the Plan, the Company and the Holders entered into that certain Registration Rights Agreement dated February 28, 2017 (the "**Original RRA**"); and

WHEREAS, the Company and the Holders of a majority of the Registrable Securities (as defined herein) have agreed to amend and restate the terms of the Original RRA.

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.

"**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 Vinson & Elkins L.L.P., 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.

"**file**" means to file or confidentially submit with the Commission.

"**FINRA**" means the Financial Industry Regulatory Authority or any successor regulatory authority.

"**Free Writing Prospectus**" means any "free writing prospectus" as defined in Rule 405 promulgated under the Securities Act.

"**Holder**" means (i) the stockholders of the Company party to this Agreement (including their Affiliates) or (ii) any other party to any Joinder, in each case, that, together with its Affiliates, beneficially owns Registrable Securities.

"**Initial Public Offering**" means the initial Public Offering of shares of common stock of the Company.

"**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 or 12 hereof.

"**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 common stock, par value $0.001 per share, of the Company, including shares of common stock in the Company issued or issuable by the Company upon conversion of the New Preferred Stock or upon exchange with the Company of New Preferred Stock for shares of common stock in the Company.

"**New Preferred Stock**" means the Series A Convertible Preferred Stock, par value $0.001 per share, of the Company.

"**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).

"**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).

"**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
Agreement	Preamble
Bankruptcy Court	Recitals
Bought Deal	4(a)
Company	Preamble
Company Demand Registration Notice	2(b)
Company Shelf Registration Notice	3(a)
Company Shelf Takedown Notice	3(c)

Term	Section
Demand Registration	2(a)
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)
Original RRA	Recitals
Permitted Free Writing Prospectus	7(a)
Piggyback Registration	4(a)
Plan	Recitals
Registration Expenses	8(a)
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. Notwithstanding anything in this Agreement to the contrary, the Company shall not be required to make any Demand Registration or cause the same to be declared effective prior to the time the Company would be required to file a Shelf Registration Statement under Section 3(a) of this Agreement or cause the same to be declared effective.

(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 ten (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 June 28, 2018, 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**"); *provided*, that for so long as the Company is actively pursuing an Initial Public Offering, the filing of the Shelf Registration Statement may be delayed until 120 days following the closing of such Initial Public Offering. The Company shall give written notice (a "**Company Shelf Registration Notice**") of the filing of the Shelf Registration Statement within five (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 ten (10) Business Days of the date of the Company Shelf Registration Notice. The Company shall use commercially reasonable efforts to cause such Shelf Registration Statement to be declared effective on or before September 30, 2018; *provided* that if as of September 30, 2018 the Company is actively pursuing an Initial Public Offering, the effectiveness of the Shelf Registration Statement may be delayed until 180 days following the closing of such Initial Public Offering. 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 (5) 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 later than five (5) Business Days prior to the commencement of marketing efforts for an offering on 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, two (2) 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). Each Holder of Registrable Securities agrees that the fact that such a notice has been delivered shall constitute confidential information and such Holder agrees not to disclose that such notice has been delivered or effect any sale

or distribution of Common Stock until the earlier of (i) the date the registration statement prepared in connection with such Piggyback Registration has been publicly filed with the SEC and (ii) 20 days after the date of such notice; provided however, that with respect to any Piggyback Registration in connection with an initial public offering each Holder of Registrable Securities agrees to not effect any sale or distribution of Common Stock from the date of such notice through the marketing period for such offering which marketing period begins within 10 days after the date of notice.

(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 (2) 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 (2) 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. (i) 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, or (ii) if requested by the managing underwriters of a Public Offering for the account of the Company, each Holder 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, in the case of clause (i) hereof, the Holders requesting such Lock-Up Agreements) are bound by and have entered into substantially similar Lock-Up Agreements; *provided further* that 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 fifteen (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; Joinder.

(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.

(e) Joinder. Stockholders of New Common Stock or New Preferred Stock or New Common Stock into which the New Preferred Stock converts may join this Agreement as Holders at the approval of the Company, *provided* that such stockholder agrees in writing to become subject to the terms of this Agreement by executing and delivering to the Company a Joinder.

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 (1) 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
Bakersfield, CA 93309
Attention: Kendrick F. Royer
E-mail: kroyer@bry.com

with copies to:

Vinson & Elkins L.L.P.
1001 Fannin Street, Suite 2500
Houston, Texas 77002
Attention: Douglas McWilliams
Facsimile: (713) 615-5725

Copies of notices to the Holders shall be sent to:

Vinson & Elkins L.L.P.
1001 Fannin Street, Suite 2500
Houston, Texas 77002
Attention: Douglas McWilliams
Facsimile: (713) 615-5725

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 Agreement as of the date first written above.

BERRY PETROLEUM CORPORATION

By: /s/ Kendrick F. Royer
Name: Kendrick F. Royer
Title: Executive Vice President, General Counsel and Secretary

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Holder: **BENEFIT STREET PARTNERS, L.L.C.**

By: /s/ Bryan Martoken
Name: Bryan Martoken
Title: CFO

Address:
9 West 57th Street
Suite 4920
New York, NY 10019

Telephone: _____

Fax No.: _____

E-mail: Moloan@benefitstreetpartners.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: **BENEFIT STREET PARTNERS, L.L.C.**

By: /s/ Bryan Martoken
Name: Bryan Martoken
Title: CFO

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Holder: **Oaktree Opportunities Fund X Holdings (Delaware), L.P.**

By: Oaktree Fund GP, LLC
Its: General Partner

By: Oaktree Fund GP I, L.P.
Its: Managing Member

By: /s/ Emily Stephens
Name: Emily Stephens
Title: Authorized Signatory

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: **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: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed this 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 Gerhardson
Name: Jeremiah Gerhardson
Title: Authorized Signer

Address:
11-13 Boulevard De La Foire
L-1528, Luxembourg
Luxembourg

Telephone: 952-444-4854

Fax No.: 952-367-1473

E-mail: Carval_gcsadminmpls@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: /s/ Jeremiah Gerhardson
Name: Jeremiah Gerhardson
Title: Authorized Signer

IN WITNESS WHEREOF, the parties hereto have executed this 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 Gerhardson
Name: Jeremiah Gerhardson
Title: Authorized Signer

Address:
11-13 Boulevard De La Foire
L-1528, Luxembourg
Luxembourg

Telephone: 952-444-4854

Fax No.: 952-367-1473

E-mail: Carval_gcsadminmpls@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: /s/ Jeremiah Gerhardson
Name: Jeremiah Gerhardson
Title: Authorized Signer

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Holder: **CARVAL GCF LUX SECURITIES SAARL**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: /s/ Jeremiah Gerhardson
Name: Jeremiah Gerhardson
Title: Authorized Signer

Address:
11-13 Boulevard De La Foire
L-1528, Luxembourg
Luxembourg

Telephone: 952-444-4854

Fax No.: 952-367-1473

E-mail: Carval_gcsadminmpls@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 SAARL**

By: CarVal Investors, LLC,

Its Attorney-In-Fact

By: /s/ Jeremiah Gerhardson
Name: Jeremiah Gerhardson
Title: Authorized Signer

IN WITNESS WHEREOF, the parties hereto have executed this 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 Gerhardson
Name: Jeremiah Gerhardson
Title: Authorized Signer

Address:
11-13 Boulevard De La Foire
L-1528, Luxembourg
Luxembourg

Telephone: 952-444-4854

Fax No.: 952-367-1473

E-mail: Carval_gcsadminmpls@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: /s/ Jeremiah Gerhardson
Name: Jeremiah Gerhardson
Title: Authorized Signer

IN WITNESS WHEREOF, the parties hereto have executed this 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: _____
Name:
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: **MARATHON ASSET MANAGEMENT LP,**
by and on behalf of certain of its and its Affiliates'
managed funds and/or accounts

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed this 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: _____
Name:
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: **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 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: _____
Name:
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: **WESTERN ASSET MANAGEMENT COMPANY,**
as agent and investment manager for certain of its clients and/or managed funds

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Holder: **CI INVESTMENTS INC., as manager on behalf of certain investment funds managed by it**

By: _____
Name:
Title:

By: _____
Name:
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: **CI INVESTMENTS INC., as manager on behalf of certain investment funds managed by it**

By: _____
Name:
Title:

By: _____
Name:
Title:

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 Amended and Restated Registration Rights Agreement, dated as of [•], 2018, 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: _____

Exhibit 10.5

Execution Version

EXECUTIVE EMPLOYMENT AGREEMENT

March 1, 2017

This **EXECUTIVE EMPLOYMENT AGREEMENT** ("***Agreement***") is entered into by and between Berry Petroleum Company, LLC**,** a Delaware limited liability company (the "***Company***"), and Arthur "Trem" Smith ("***Executive***"), as of the date first set forth above (the "***Effective Date***"), on the terms set forth herein. Berry Petroleum Corporation, a Delaware corporation and a 100% parent of the Company ("***Berry Petroleum***"), is joining in this Agreement for the limited purpose of reflecting its agreement to the matters set forth herein as to it, but such joinder is not intended to make Berry Petroleum the employer of Executive for any purpose. Certain capitalized terms used in this Agreement are defined in Section 8.

In consideration of the promises and mutual covenants set forth herein and for other good and valuable consideration, the parties agree as follows:

1. Position and Duties.

1.1 Employment; Titles; Reporting. The Company agrees to employ Executive and Executive agrees to be employed by the Company, upon the terms and subject to the conditions provided under this Agreement. During the Employment Term (as defined in Section 2), Executive will serve each of the Company and Berry Petroleum as the President and Chief Executive Officer, and will serve as a member of the Board of Directors of Berry Petroleum (including any committees thereof, the "***Board***").

1.2 Duties. During the Employment Term, Executive will have such duties, responsibilities and authorities as may be assigned to him by the Board from time to time and otherwise consistent with such position in a publicly traded company comparable to Berry Petroleum which is engaged in natural gas and oil acquisition, development and production. Executive will devote substantially all of his full working time to the business and affairs of the Company and Berry Petroleum, will use his reasonable best efforts to promote the Company's and Berry Petroleum's interests, and will perform his duties and responsibilities faithfully, diligently and to the best of his ability, consistent with sound business practices. Executive may be required by the Board to provide services to, or otherwise serve as an officer or director of, any direct or indirect subsidiary of the Company or Berry Petroleum, as applicable. Executive will comply with the Company's and Berry Petroleum's policies, codes and procedures, as they may be in effect from time to time, applicable to executive officers of the Company and Berry Petroleum. Subject to the preceding sentence, Executive may, with the prior approval of the Board in each instance, engage in other business and charitable activities, *provided that* such charitable and/or other business activities do not violate Section 7, create a conflict of interest with the Company or Berry Petroleum, or materially interfere with the performance of his obligations to the Company or Berry Petroleum under this Agreement.

1.3 Place of Employment. Executive will perform his duties under this Agreement at the Company's offices in Dallas, Texas, with the expectation of substantial business travel.

2. Term of Employment.

Subject to earlier termination as hereinafter provided, Executive's employment hereunder will be for a term of three (3) years (the "***Initial Term***"), commencing on the Effective Date. Beginning on the third anniversary of the Effective Date, the term will automatically, without further action by Executive or the Company, be extended for one (1) year; *provided, however*, that either Executive or the Company may, by written notice to the other given not less than sixty (60) days prior to the scheduled expiration of the term, cause the term to cease to extend automatically. The term of this Agreement is hereafter

referred to as the "***Employment Term.***" The date on which Executive's employment ends is referred to in this Agreement as the "***Termination Date.***" Upon termination of Executive's employment hereunder for any reason, Executive will be deemed to have resigned from all positions that Executive holds as an officer or member of the Board (or a committee thereof) of the Company, Berry Petroleum, or any of their subsidiaries or affiliates.

3. Compensation.

3.1 Base Salary. During the Employment Term, Executive will be entitled to receive a base salary ("***Base Salary***") at an annual rate of $650,000, payable in accordance with Company's regular payroll practices.

3.2 Bonus Compensation. For each calendar year ending during the Employment Term, Executive will be eligible to earn an annual bonus (the "***Annual Incentive Bonus***") in the target amount of $650,000 (the "***Target Bonus Amount***") and a maximum equal to 200% of the Target Bonus Amount; *provided, however*, that Executive's Target Bonus Amount for the 2017 calendar year will be $545,000. The Target Bonus Amount will be reviewed annually by the Board and may be adjusted upward in the Board's sole discretion, but not downward. The actual amount of the Annual Incentive Bonus with respect to the 2017 calendar year, and any subsequent calendar years, will be determined by the Board based on Executive's and the Company's fulfillment of performance goals established by the Board (after consultation with Executive) with respect to the applicable calendar year. The performance goals applicable to Executive's Annual Incentive Bonus for the 2017 calendar year will be determined by the Board (after consultation with Executive) on or before May 31, 2017. The performance goals applicable to Executive's Annual Incentive Bonus for each subsequent calendar year during the Employment Term will be established no later than March 31 of such calendar year. Except as provided in Section 6.1, the Annual Incentive Bonus for any calendar year will (if and to the extent earned) be paid no later than the March 15th following the completion of such calendar year.

3.3 Long-Term Incentive Awards.

(a) *Sign-On Equity Awards.* On or before May 31, 2017, Executive will receive long-term incentive compensation awards (the "***Sign-On Equity Awards***") under an omnibus equity incentive plan to be adopted by Berry Petroleum (the "***Equity Plan***"). The Sign-On Equity Awards will have an aggregate grant date target value of $4,000,000. The terms and conditions of the Sign-On Equity Awards (including, without limitation, the form of award(s), vesting schedule, performance objectives, restrictive provisions, etc.) will be determined by the Board, *provided that* (a) a portion of the Sign-On Equity Awards will be subject to performance-based vesting conditions established by the Board (after consultation with Executive), and (b) the remainder will vest in three (3) equal annual installments beginning on the first anniversary of the grant date of the Sign-On Equity Award, subject to Executive's continuous employment through each such vesting date. The Sign-On Equity Awards will be subject to the Equity Plan and will be memorialized in (and subject to the terms of) written award agreements approved by the Board.

(b) *Future Annual Equity Awards*. After the expiration of the Initial Term, and subject Executive's continuing employment under the terms of this Agreement at that time, Executive will be eligible to receive annual equity awards ("***Annual Equity Awards***"). The actual grant date target value of any such Annual Equity Awards will be determined in the discretion of the Board after taking into account the Company's and Executive's performance and other relevant factors, but it is contemplated that such Annual Equity Awards will have an aggregate grant date target value equal to the sum of Executive's Base Salary and Target Bonus Amount for the calendar year of grant, subject to the Board's evaluation of Executive's performance and then current market compensatory levels and

practices. It is further contemplated that the terms and conditions of the Annual Equity Awards (including, without limitation, the form of award(s), vesting schedule, performance objectives, restrictive provisions, etc.) will be the same as such terms and conditions applicable to the annual long-term incentive awards granted to other senior executive officers of the Company at the time of such grants.

(c) *Sale of Berry Petroleum.* Upon a Sale of Berry Petroleum (as defined in Section 8(d)), all outstanding and unvested equity awards then held by Executive will be deemed fully vested, and all performance-based vesting conditions with respect to such awards will be deemed achieved at the "target" performance levels set forth in the applicable award agreement.

4. Expenses and Other Benefits.

4.1 Reimbursement of Expenses. Executive will be entitled to receive prompt reimbursement for all reasonable expenses, including all reasonable travel expenses, incurred by him during the Employment Term (in accordance with the policies and practices as may be established by the Company from time to time) in performing services under this Agreement, *provided that* Executive properly accounts for such expenses in accordance with the Company's policies as in effect from time to time. Without limiting or expanding the immediately preceding sentence, in connection with any travel by Executive in performing services under this Agreement, the Company will pay or reimburse Executive for (a) business class air travel (or first class if business class is not reasonably available) for flights with a scheduled flight time exceeding one (1) hour in duration, and (b) private ground transportation for ground travel that Executive reasonably expects will exceed one (1) hour in duration and, in his reasonable judgement, is necessary or appropriate.

4.2 Vacation. Executive will be entitled to paid vacation time each year during the Employment Term that will accrue in accordance with the Company's policies and procedures now in force or as such policies and procedures may be modified with respect to all senior executive officers of the Company.

4.3 Executive Housing. The Company will pay up to $5,000 per month for executive housing selected by Executive within commuting distance of the Company's offices in Bakersfield, California. Executive acknowledges and agrees that, as a condition of Executive's employment hereunder, Executive is required use such executive housing when performing services at the Company's offices in Bakersfield, California.

4.4 Company Vehicle. For purposes of performance of Executive's duties in Bakersfield, California, the Company will provide Executive with a vehicle to be agreed upon in accordance with market standards. The vehicle will be owned or leased by the Company, and will be returned to the Company by Executive immediately upon termination of Executive's employment hereunder. The Company will bear and pay, at its expense, any and all costs of maintenance and repairs, fuel, and any insurance deductibles for the vehicle. Executive will be liable for paying for any parking or traffic fines received in connection with the vehicle.

4.5 Other Employee Benefits. In addition to the foregoing, during the Employment Term, Executive will be entitled to participate in and to receive benefits as a senior executive under all of the Company's employee benefit plans, programs and arrangements available to senior executives, subject to the eligibility criteria and other terms and conditions thereof, as such plans, programs and arrangements may be duly amended, terminated, approved or adopted by the Board from time to time.

5. Termination of Employment.

5.1 Death. Executive's employment under this Agreement will terminate upon his death.

5.2 Termination by the Company. The Company may terminate Executive's employment under this Agreement at any time with or without Cause.

5.3 Termination by Executive. Executive may terminate his employment under this Agreement at any time with or without Good Reason. If Executive terminates his employment with Good Reason, Executive will give the Board written notice which will identify with reasonable specificity the grounds for Executive's resignation and provide the Board 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 such notice is given by Executive to the Board more than 60 days after the occurrence of the event that Executive alleges is Good Reason for his termination hereunder.

5.4 Notice of Termination. Any termination of Executive's employment by the Company or by Executive during the Employment Term (other than termination pursuant to Section 5.1) will be communicated by written Notice of Termination to the other party hereto in accordance with Section 9.9. For purposes of this Agreement, a "***Notice of Termination***" means a written notice that (a) indicates the specific termination provision in this Agreement relied upon, (b) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated, and (c) if the Termination Date (as defined herein) is other than the date of receipt of such notice, specifies the Termination Date (which Termination Date will be not more than 30 days after the giving of such notice).

5.5 Disability. If the Board determines in good faith that the Disability (as defined herein) of Executive has occurred during the Employment Term, it may, without breaching this Agreement, give to Executive written notice in accordance with Section 5.4 of its intention to terminate Executive's employment. In such event, Executive's employment with the Company will terminate effective on the 15th day after receipt of such notice by Executive, *provided that*, within the 15 days after such receipt, Executive will not have returned to full-time performance of Executive's duties.

6. Compensation of Executive Upon Termination. Upon termination of the Executive's employment, Executive will be entitled to the compensation and benefits described in this Section 6 and will have no further rights to any compensation or any other benefits from the Company or any of its affiliates.

6.1 Termination by the Company for Cause or Executive Without Good Reason. If Executive's employment is terminated by the Company for Cause, or if Executive terminates his employment other than for Good Reason, then: (a) the Company will pay Executive any accrued but unpaid Base Salary, and any other amounts that may be reimbursable to Executive as expressly provided under this Agreement, in each case in accordance with the Company's customary payroll procedures; (b) Executive will be entitled to such employee benefits (including equity compensation), if any, to which Executive may be entitled under the Company's employee benefit plans as of the Termination Date or as provided by applicable law (the payments and benefits described in clauses (a) and (b) of this Section 6.1, collectively the "***Accrued Obligations***"); and (c) Executive will not be entitled to receive any unpaid Annual Incentive Bonus for the calendar year immediately preceding the calendar year in which occurs the Termination Date.

6.2 Death or Disability. If Executive's employment under this Agreement is terminated by reason of his death or Disability, Executive will be entitled to receive the Accrued Obligations, which will be paid or provided (as applicable) to Executive at such time(s) as provided in Section 6.1. In the event of Executive's death, any amount payable to Executive under this Section 6.2 will be made to the person or persons designated by Executive for that purpose in a notice filed with the Company, or, if no such person will have been so designated, to his estate.

6.3 Non-Renewal by the Company, Without Cause or for Good Reason. If the Company terminates Executive's employment without Cause or on account of the Company's failure to renew this Agreement in accordance with Section 2, or Executive terminates his employment for Good Reason, then Executive will be entitled to receive the Accrued Obligations, which will be paid or provided (as applicable) to Executive at such time(s) as provided in Section 6.1, and the severance benefits (the "***Severance Benefits***") set forth in clauses (a) through (c) below.

(a) The Company will pay Executive installment payments, payable over 12 months in accordance with the Company's normal payroll practices (but no less frequently than monthly), which are in the aggregate equal to one times the sum of Executive's Base Salary and Annual Incentive Bonus for the year in which the Termination Date occurs. The installment payments will begin within 60 days following the Termination Date; *provided that*, if the Release Execution Period (as defined in Section 6.3(d)(i)) begins in one taxable year and ends in another taxable year, payments will not begin until the beginning of the second taxable year, and, in such case, the first installment payment will include all amounts that would otherwise have been paid to Executive during the period beginning on the Termination Date and ending on the first payment date if no delay had been imposed.

(b) The Company will reimburse Executive for the cost of COBRA continuation coverage under the Company's group health plans for the 12-month period following the Termination Date; *provided*, *however,* that the benefits described in this Section 6.3(b) may be discontinued by the Company before the end of the 12-month period to the extent that Executive receives substantially similar benefits from a subsequent employer.

(c) Executive will be credited with an additional 12 months of service for purposes of calculating the service-based vesting of any unvested equity awards held by Executive at the Date of Termination. For avoidance of doubt, the foregoing additional service credit shall also apply to any outstanding unvested performance-based equity award held by Executive as of the Date of Termination. Any performance-based equity award (or portion thereof) for which the service-based vesting condition has been satisfied (or deemed satisfied by reason of this Section 6.3(c)) as of the Date of Termination will continue in accordance with the terms of the applicable award agreement and, for avoidance of doubt, will vest or be forfeited in accordance with the terms of the applicable award agreement based on actual performance for the applicable performance period. The settlement of any such performance-based equity award (or portion thereof) will, to the extent earned, occur at such time(s) as such performance-based equity award (or portion thereof) would have been settled had Executive continued his employment with the Company.

(d) *Conditions to Receipt of Severance Benefits*.

(i) Release. As a condition to receiving any Severance Benefits, Executive will execute a release (the "***Release***"), which will include an affirmation of the restrictive covenants set forth in Section 7 and a non-disparagement provision, in a form and substance satisfactory to the Company, of any claims, whether arising under federal, state or local statute, common law or otherwise, against the Company and its direct or indirect subsidiaries which arise or may have arisen on or before the date of the Release, other than any claims under this Agreement (including, without limitation, claims arising under Sections 3 and 6 of this Agreement), any claim to vested benefits under an employee benefit plan, any claim arising after

the execution of the Release or any rights to indemnification from the Company and its direct or indirect subsidiaries pursuant to Section 6.9 or any provisions of the Company's (or any of its subsidiaries') organizational documents or any directors and officers liability insurance policies maintained by the Company. The Company will provide the Release to Executive for signature within five days after the Termination Date. If the Company has provided the Release to Executive for signature within ten days after the Termination Date and if Executive fails or otherwise refuses to execute the Release within a reasonable time after the Company has provided the Release to Executive, and, in all events no later than 60 days after the Termination Date (the "***Release Execution Period***"), or if Executive executes and revokes the Release during a revocation period prescribed by applicable law, Executive will not be entitled to any Severance Benefits and the Company will have no further obligations with respect to the provision of those benefits except as may be required by law.

(ii) Limitation on Benefits. If, following a termination of employment that gives Executive a right to Severance Benefits under Section 6.3, Executive violates in any material respect any of the covenants in Section 7 or as otherwise set forth in the Release, Executive will have no further right or claim to any payments or other benefits to which Executive may otherwise be entitled under Section 6.3 from and after the date on which Executive engages in such activities and the Company will have no further obligations with respect to such payments or benefits, and the covenants in Section 7 will nevertheless continue in full force and effect.

6.4 Equity Awards. Notwithstanding anything in this Agreement to the contrary, the treatment of any equity award held by Executive as of his Termination Date (including, without limitation, any Sign-On Equity Award or Annual Equity Award) will be determined in accordance with the terms of the applicable Company equity plan and award agreement.

6.5 Severance Benefits Not Includable for Employee Benefits Purposes. Except to the extent the terms of any applicable benefit plan, policy or program provide otherwise, any benefit programs of the Company that take into account Executive's income will exclude any and all Severance Benefits and provided under this Agreement.

6.6 Exclusive Severance Benefits. The Severance Benefits, if they become payable under the terms of this Agreement, will be in lieu of any other severance or similar benefits that would otherwise be payable under any other agreement, plan, program or policy of the Company.

6.7 Sections 280G and 409A of the Code. Notwithstanding anything in this Agreement to the contrary:

(a) If any of the payments or benefits received or to be received by Executive (including, without limitation, any payment or benefits received in connection with a Sale of Berry Petroleum or Executive's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the ("***280G Payments***") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this Section 6.7(a), be subject to the excise tax imposed under Section 4999 of the Code (the "***Excise Tax***"), then prior to making the 280G Payments, a calculation will be made comparing (i) the Net Benefit (as defined below) to Executive of the 280G Payments after payment of the Excise Tax to (ii) the Net Benefit to Executive if the 280G Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount under (ii) above will the 280G Payments be reduced to the minimum extent necessary to ensure that no portion of the 280G Payments is subject to the Excise Tax. "***Net Benefit***" will mean the present

value of the 280G Payments net of all federal, state, local, foreign income, employment, and excise taxes. Any reduction made pursuant to this Section 6.7(a) will be made in a manner determined by the Company that is consistent with the requirements of Section 409A of the Code and that maximizes Executive's economic position and after-tax income; for the avoidance of doubt, Executive will not have any discretion in determining the manner in which the payments and benefits are reduced.

(b) If any benefits payable or otherwise provided under this Agreement would be deemed to constitute non-qualified deferred compensation subject to Section 409A of the Code, the Company will have the discretion to adjust the terms of such payment or benefit (but not the amount or value thereof) as reasonably necessary to comply with the requirements of Section 409A of the Code to avoid the imposition of any excise tax or other penalty with respect to such payment or benefit under Section 409A of the Code.

(c) Any expense reimbursement payable to Executive under the terms of this Agreement will be paid on or before March 15 of the calendar year following the calendar year in which such reimbursable expense was incurred. The amount of such reimbursements that the Company is obligated to pay in any given calendar year will not affect the amount the Company is obligated to pay in any other calendar year. In addition, Executive may not liquidate or exchange the right to reimbursement of such expenses for any other benefits.

6.8 Timing of Payments by the Company. Notwithstanding anything in this Agreement to the contrary, in the event that Executive is a "specified employee" (as determined under Section 409A of the Code) at the time of the separation from service triggering the payment or provision of benefits, any payment or benefit under this Agreement which is determined to provide for a deferral of compensation pursuant to Section 409A of the Code will not commence being paid or made available to Executive until after six months from the Termination Date that constitutes a separation from service within the meaning of Section 409A of the Code.

6.9 Indemnification. If Executive is made a party or threatened to be made a party to any action, suit, or proceeding, whether civil, criminal, administrative, or investigative (a "***Proceeding***"), other than any Proceeding initiated by Executive, Berry Petroleum, or the Company related to any contest or dispute between Executive and Berry Petroleum or the Company or any of their subsidiaries or affiliates with respect to this Agreement or Executive's employment hereunder, by reason of the fact that Executive is or was a director or officer of Berry Petroleum or the Company, or any subsidiary or affiliate of Berry Petroleum or the Company, or is or was serving at the request of Berry Petroleum or the Company as a director, officer, member, employee, or agent of another corporation or a partnership, joint venture, trust, or other enterprise, Executive will be indemnified and held harmless by Berry Petroleum and the Company to the maximum extent permitted under applicable law and, as applicable, Berry Petroleum's or the Company's organizational documents, from and against any liabilities, costs, claims, and expenses, including all costs and expenses incurred in defense of any Proceeding (including attorneys' fees). During the Employment Term and for a period of six years thereafter, Berry Corporation and the Company will purchase and maintain, at their own expense, directors' and officers' liability insurance providing coverage to Executive on terms that are no less favorable than the coverage provided to other directors and similarly situated executives of Berry Petroleum and the Company.

7. Restrictive Covenants.

7.1 Confidential Information.

(a) *Confidentiality.* Executive hereby acknowledges that in connection with his employment by the Company he will be exposed to and may obtain certain Confidential Information (as defined below) (including, without limitation, procedures, memoranda, notes, records and customer and supplier lists whether such information has been or is made, developed or compiled by Executive or otherwise has been or is made available to him) regarding the business and operations of the Company, Berry Petroleum, and their subsidiaries or affiliates. Executive further acknowledges that such Confidential Information is unique, valuable, considered trade secrets and deemed proprietary by the Company. For purposes of this Agreement, "***Confidential Information***" includes, without limitation, any information heretofore or hereafter acquired, developed or used by any of the Company, Berry Petroleum, or their direct or indirect subsidiaries relating to Business Opportunities or Intellectual Property or other geological, geophysical, economic, financial or management aspects of the business, operations, properties or prospects of the Company, Berry Petroleum, or their direct or indirect subsidiaries, whether oral or in written form. Executive agrees that all Confidential Information is and will remain the property of the Company, Berry Petroleum, or their direct or indirect subsidiaries, as the case may be. Executive further agrees, except for disclosures occurring in the good faith performance of his duties for the Company, Berry Petroleum, or their direct or indirect subsidiaries, during the Employment Term, Executive will hold in the strictest confidence all Confidential Information, and will not, both during the Employment Term and for a period of five years after the Termination Date, directly or indirectly, duplicate, sell, use, lease, commercialize, disclose or otherwise divulge to any person or entity any portion of the Confidential Information or use any Confidential Information, directly or indirectly, for his own benefit or profit or allow any person, entity or third party, other than the Company, Company, or their direct or indirect subsidiaries and authorized executives of the same, to use or otherwise gain access to any Confidential Information. Executive will have no obligation under this Agreement with respect to any information that becomes generally available to the public other than as a result of a disclosure by Executive or his agent or other representative or becomes available to Executive on a non-confidential basis from a source other than the Company, Berry Petroleum, or their direct or indirect subsidiaries. Further, Executive will have no obligation under this Agreement to keep confidential any of the Confidential Information to the extent that a disclosure of it is required by law or is consented to by the Company or Berry Petroleum; *provided*, *however*, that if and when such a disclosure is required by law, Executive promptly will provide the Company with notice of such requirement, so that the Company may seek an appropriate protective order.

(b) *SEC Provisions*. Executive understands that nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Securities and Exchange Commission ("***SEC***"). Executive further understands that this Agreement does not limit Executive's ability to communicate with the SEC or otherwise participate in any investigation or proceeding that may be conducted by the SEC, including providing documents or other information, without notice to the Company. This Agreement does not limit Executive's right to receive an award for information provided to the SEC. This Section 7.1(b) applies only for the period of time that the Company is subject to the Dodd-Frank Act.

(c) *Trade Secrets*. The parties specifically acknowledge that 18 U.S.C. § 1833(b) provides: "An individual will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(i) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, notwithstanding anything to the contrary in the foregoing, the parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law.

7.2 Return of Property. Executive agrees to deliver promptly to the Company, upon termination of his employment hereunder, or at any other time when the Company so requests, all documents received by Executive in connection with the performance of his duties hereunder relating to the business of the Company, Berry Petroleum, or their direct or indirect subsidiaries, including without limitation: all geological and geophysical reports and related data such as maps, charts, logs, seismographs, seismic records and other reports and related data, calculations, summaries, memoranda and opinions relating to the foregoing, production records, electric logs, core data, pressure data, lease files, well files and records, land files, abstracts, title opinions, title or curative matters, contract files, notes, records, drawings, manuals, correspondence, financial and accounting information, customer lists, statistical data and compilations, patents, copyrights, trademarks, trade names, inventions, formulae, methods, processes, agreements, contracts, manuals or any documents relating to the business of the Company, Berry Petroleum, or their direct or indirect subsidiaries and all copies thereof and therefrom; *provided*, *however*, that Executive will be permitted to retain copies of any documents or materials of a personal nature or otherwise related to Executive's rights under this Agreement, copies of this Agreement and any attendant or ancillary documents specifically including any documents referenced in this Agreement and copies of any documents related to Executive's equity incentive awards and other compensation.

7.3 Non-Compete Obligations.

(a) *Non-Compete Obligations During Employment Term.* Executive agrees that, during the Employment Term:

(i) Executive will not, other than through the Company or Berry Petroleum, engage or participate in any manner, whether directly or indirectly as an employee, employer, consultant, agent, principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is engaged in direct competition anywhere in the United States with the Company, Berry Petroleum, or any of their direct or indirect subsidiaries, in leasing, acquiring, exploring, producing, gathering or marketing hydrocarbons and related products; and

(ii) Executive will not (directly or indirectly through any family members or other persons) knowingly permit any of his controlled affiliates to invest or otherwise participate alongside the Company, Berry Petroleum, or their direct or indirect subsidiaries, in any Business Opportunity.

Notwithstanding the foregoing, nothing in this Section 7.3(a) will be deemed to prohibit Executive from owning, or otherwise having an interest in, less than 1% of any publicly owned entity or 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 Executive has no active role with respect to any investment by such fund in any entity.

(b) *Non-Compete Obligations After Termination Date.* Executive agrees that some restrictions on Executive's activities after Executive's employment are necessary to protect the goodwill, Confidential Information, and other legitimate interests of the Company, Berry Petroleum, and their direct and indirect subsidiaries. The Company has and following the Effective Date the Company will provide Executive with access to and knowledge of Confidential Information and trade secrets and will place Executive in a position of trust and confidence with the Company, and Executive will benefit from the Company's goodwill. The restrictive covenants below are necessary to protect the Company's and Berry Petroleum's legitimate business interests in their Confidential Information, trade secrets and goodwill. Executive further understands and acknowledges that the Company's and Berry Petroleum's ability to

reserve these for the exclusive knowledge and use of the Company and Berry Petroleum is of great competitive importance and commercial value to the Company and Berry Petroleum and that the Company and Berry Petroleum would be irreparably harmed if Executive violates the restrictive covenants below. In recognition of the consideration provided to Executive as well as the imparting to Executive of Confidential Information, including trade secrets, and for other good and valuable consideration, Executive hereby agrees that Executive will not engage or participate in any manner, whether directly or indirectly as an employee, employer, consultant, agent principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity during the two year period following the Termination Date, in any business or activity which is in direct competition with the business of the Company, Berry Petroleum, or their direct or indirect subsidiaries in the leasing, acquiring, exploring, producing, gathering or marketing of hydrocarbons and related products within the boundaries of, or within a ten-mile radius of the boundaries of, any mineral property interest of any of the Company, Berry Petroleum, or their direct or indirect subsidiaries (including, without limitation, a mineral lease, overriding royalty interest, production payment, net profits interest, mineral fee interest or option or right to acquire any of the foregoing, or an area of mutual interest as designated pursuant to contractual agreements between the Company or any direct or indirect subsidiary, and any third party) or any other property on which any of the Company, Berry Petroleum, or their direct or indirect subsidiaries has an option, right, license or authority to conduct or direct exploratory activities, such as three-dimensional seismic acquisition or other seismic, geophysical and geochemical activities (but not including any preliminary geological mapping), as of the Termination Date or as of the end of the six-month period following such Termination Date; *provided*, *that*, this Section 7.3(b) will not preclude Executive from making investments in securities of oil and gas companies which are registered on a national stock exchange, if the aggregate amount owned by Executive and all family members and affiliates does not exceed 3% of such company's outstanding securities.

(c) *Certain Personal Investments*. The parties hereto acknowledge and agree that Executive's ownership interest in or other involvement with TS&J Consulting, LLC, or any other entity that Executive may create and have a controlling interest (each, a "***Covered Entity***"), shall not violate this Section 7.3 unless Executive directly or indirectly informs the Covered Entity of, or permits or causes the Covered Entity to invest or participate in, a Business Opportunity without the prior written consent of the Board following Executive's full disclosure to the Board of such Business Opportunity. Executive covenants and agrees to promptly notify the Board of all material facts relating to any business or activity of a Covered Entity that Executive knows or should know to be in direct competition anywhere in the United States with the Company, Berry Petroleum, or any of their direct or indirect subsidiaries, in leasing, acquiring, exploring, producing, gathering or marketing hydrocarbons and related products. The Company or Berry Petroleum may, in good faith, take such reasonable action with respect to Executive's performance of his duties, responsibilities and authorities as set forth in Sections 1.1 and 1.2 of this Agreement 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 a Covered Entity's business activities.

(d) *Board Permission*. Without limiting this Section 7.3, Executive may, in his sole discretion, bring proposed activities of a Covered Entity to the attention of the Board and request that the Board review the proposed activities upon full disclosure to the Board of all material facts concerning the proposed activity, and inform the Executive in writing as to whether such proposed activities violate this Section 7.3. The Board's written determination in this matter shall not be unreasonably withheld and it shall conclusively bind the parties hereto.

7.4 Non-Solicitation. During the Employment Term and for a period of two years after the Termination Date, Executive will not, whether for his own account or for the account of any other Person (other than the Company, Berry Petroleum, or their direct or indirect subsidiaries), (i) intentionally solicit, endeavor to entice away from the Company, Berry Petroleum, or their direct or indirect subsidiaries, or otherwise interfere with the relationship of the Company, Berry Petroleum, or their direct or indirect subsidiaries with, any person who is employed by the Company, Berry Petroleum, or any of their direct or indirect subsidiaries (including any independent sales representatives or organizations), or (ii) using Confidential Information, solicit, endeavor to entice away from the Company, Berry Petroleum, or any of their direct or indirect subsidiaries, or otherwise interfere with the relationship of the Company, Berry Petroleum, or any of their direct or indirect subsidiaries with, any client or customer of the Company, Berry Petroleum, or any of their direct or indirect subsidiaries in direct competition with the Company, Berry Petroleum, or any of their direct or indirect subsidiaries.

7.5 Assignment of Developments. The Employee assigns and agrees to assign without further compensation to the Company and its successors, assigns or designees, all of Executive's right, title and interest in and to all Business Opportunities and Intellectual Property (as those terms are defined below), and further acknowledges and agrees that all Business Opportunities and Intellectual Property constitute the exclusive property of the Company.

For purposes of this Agreement, "***Business Opportunities***" means 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 Executive during the Employment Term, or originated by any third party and brought to the attention of Executive during the Employment Term, 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).

For purposes of this Agreement, "***Intellectual Property***" will mean all ideas, inventions, discoveries, processes, designs, methods, substances, articles, computer programs and improvements (including, without limitation, enhancements to, or further interpretation or processing of, information that was in the possession of Executive prior to the date of this Agreement), whether or not patentable or copyrightable, which do not fall within the definition of Business Opportunities, which Executive discovers, conceives, invents, creates or develops, alone or with others, during the Employment Term, if such discovery, conception, invention, creation or development (a) occurs in the course of Executive's employment with the Company, or (b) occurs with the use of any of the time, materials or facilities of the Company or its direct or indirect subsidiaries, or (c) in the good faith judgment of the Board, relates or pertains in any material way to the purposes, activities or affairs of the Company, Berry Petroleum, or their direct or indirect subsidiaries.

Notwithstanding anything contained in this Section 7.5 to the contrary, no such business idea, prospect, proposal or other opportunity will constitute a "Business Opportunity", nor shall any item constitute "Intellectual Property," unless it would reasonably be expected to materially benefit the Company, Berry Petroleum, or any of their direct or indirect subsidiaries, regardless of whether any of the Company, Berry Petroleum, or their direct or indirect subsidiaries ultimately participates in such business or activity. For avoidance of doubt, the Executive may, in the Executive's sole discretion, bring proposed activities of a Covered Entity that he reasonably believes may constitute a Business Opportunity and/or Intellectual Property to the attention of the Board, and request that the Board review the proposed activities upon full disclosure to the Board of all material facts concerning the proposed activity, and inform the Executive in writing as to whether such proposed activities constitute a Business Opportunity or an Intellectual Property item as defined in this Section 7.5. The Board's written determination in this matter shall not be unreasonably withheld and it shall conclusively bind the parties hereto.

7.6 Injunctive Relief. Executive acknowledges that a breach of any of the covenants contained in this Section 7 may result in material, irreparable injury to the Company or Berry Petroleum for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat of breach, the Company or Berry Petroleum will be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining Executive from engaging in activities prohibited by this Section 7 or such other relief as may be required to specifically enforce any of the covenants in this Section 7.

7.7 Adjustment of Covenants. The parties consider the covenants and restrictions contained in this Section 7 to be reasonable. However, if and when any such covenant or restriction is found to be void or unenforceable and would have been valid had some part of it been deleted or had its scope of application been modified, such covenant or restriction will be deemed to have been applied with such modification as would be necessary and consistent with the intent of the parties to have made it valid, enforceable and effective.

7.8 Forfeiture Provision. If Executive engages in any activity that materially violates any covenant or restriction contained in this Section 7, and such violation causes material harm to the Company, Berry Petroleum, or any of their direct or indirect subsidiaries, in addition to any other remedy the Company may have at law or in equity, (i) Executive will be entitled to no further payments or benefits from the Company under this Agreement or otherwise, except for any payments or benefits required to be made or provided under applicable law, and (ii) all forms of equity compensation held by or credited to Executive will terminate effective as of the date on which Executive engages in that activity, unless terminated sooner by operation of another term or condition of this Agreement or other applicable plans and agreements.

8. Definition of Terms. The following terms referred to in this Agreement will have the following meanings:

(a) "***Cause***" means any of the following: (i) Executive's repeated failure to fulfill substantially his material obligations with respect to his employment (which failure, if able to be cured, remains uncured or continues or recurs thirty (30) days after written notice from the Board); (ii) Executive's conviction of or plea of guilty or *nolo contendere* to a felony or to a crime involving moral turpitude resulting in material financial or reputational harm to the Company, Berry Petroleum, or any of their subsidiaries or affiliates; (iii) Executive's engaging in conduct that constitutes gross negligence or gross misconduct in carrying out his duties with respect to his employment hereunder; (iv) a material violation by Executive of any non-competition or non-solicitation provision, or of any confidentiality provision, contained in this Agreement or any agreement between Executive and the Company, Berry Petroleum, or any of their subsidiaries or affiliates; (v) any act by Executive involving dishonesty relating to the business of the Company, Berry Petroleum, or any of their subsidiaries or affiliates that adversely and materially affects the business of the Company, Berry Petroleum, or any of their subsidiaries or affiliates; or (vi) a material breach by Executive of the Company's written code of ethics or any other material written policy or regulation of the Company, Berry Petroleum, or any of their subsidiaries or affiliates governing the conduct of its employees or contractors (which breach, if able to be cured, remains uncured or continues or recurs 30 days after written notice from the Board).

(b) "***Disability***" means the earlier of (a) written determination by a physician selected by the Company and reasonably agreed to by Executive that Executive has been unable to perform substantially his usual and customary duties under this Agreement for a period of at least 120 consecutive days or a non-consecutive period of 180 days during any 12-month period as a result of incapacity due to mental or physical illness or disease; and (b) "disability" as such term is defined in the Company's applicable long-term disability insurance plan. At any time and from time to time, upon

reasonable request therefor by the Company, Executive will submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. Any physician selected by the Company will be Board Certified in the appropriate field, will have no actual or potential conflict of interest, and may not be a physician who has been retained by the Company for any purpose within the prior three years.

(c) "***Good Reason***" means the occurrence of any of the following without Executive's written consent: (a) material diminution in Executive's position, duties, responsibilities, or reporting requirements from those held and/or assigned to Executive; (b) a material reduction in base salary, other than any across-the-board reduction of cash compensation applicable to all senior executives of the Company; or (c) a material breach by the Company of its obligations under the employment agreement or any equity award agreement with Executive, as applicable.

(d) "***Sale of Berry Petroleum***" means the first to occur of:

(i) The acquisition by 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 (the "***Exchange Act***")) (a "***Person***") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either (A) the then-outstanding equity interests of Berry Petroleum (the "***Outstanding Company Equity***") or (B) the combined voting power of the then-outstanding voting securities of Berry Petroleum entitled to vote generally in the election of directors (the "***Outstanding Company Voting Securities***"); *provided, however*, that, for purposes of this Section 8(d)(i), the following acquisitions will not constitute a Sale of the Company: (1) any acquisition directly from Berry Petroleum (including, for avoidance of doubt, an initial public offering of Berry Petroleum stock), (2) any acquisition by Berry Petroleum, (3) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliated company, or (4) any acquisition by any corporation or other entity pursuant to a transaction that complies with Section 8(d)(iii)(X), Section 8(d)(iii)(Y), or Section 8(d)(iii)(Z);

(ii) Any time at which individuals who, as of the date hereof, constitute the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the Board; *provided, however,* that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by Berry Petroleum's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board will be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Incumbent Board; or

(iii) Consummation of (A) a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving Berry Petroleum or any of its subsidiaries, (B) a sale or other disposition of assets of Berry Petroleum that have a total gross fair market value (*i.e.*, determined without regard to any liabilities associated with such assets) equal to or more than 75% of the total gross fair market value of all of the assets of Berry Petroleum immediately prior to such sale or other disposition, or (C) the acquisition of assets or equity interests of another entity by Berry Petroleum or any of its subsidiaries (each, a "***Business Combination***"), in each case

unless, following such Business Combination, (X) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Equity and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding equity interests and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation or other entity that, as a result of such transaction, owns Berry Petroleum or all or substantially all of Berry Petroleum's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Equity and the Outstanding Company Voting Securities, as the case may be, (Y) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of Berry Petroleum or such corporation or other entity resulting from such Business Combination) beneficially owns, directly or indirectly, 50% or more of, respectively, the then-outstanding equity interests of the corporation or other entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation or other entity, except to the extent that such ownership existed prior to the Business Combination, and (X) at least a majority of the members of the board of directors of the corporation or equivalent body of any other entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination.

9. Miscellaneous.

9.1 Assignment; Successors; Binding Agreement. This Agreement may not be assigned by either party, whether by operation of law or otherwise, without the prior written consent of the other party, except that any right, title or interest of the Company arising out of this Agreement may be assigned to any corporation or entity controlling, controlled by, or under common control with the Company, or succeeding to the business and substantially all of the assets of the Company. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the parties and their respective heirs, legatees, devisees, personal representatives, successors and assigns.

9.2 Modification and Waiver. Except as otherwise provided below, no provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is duly approved by the Board and is agreed to in writing by Executive and such officer(s) as may be specifically authorized by the Board to effect it. No waiver by any party of any breach by any other party of, or of compliance with, any term or condition of this Agreement to be performed by any other party, at any time, will constitute a waiver of similar or dissimilar terms or conditions at that time or at any prior or subsequent time.

9.3 Legal Fees Incurred in Negotiating the Agreement. The Company will pay or reimburse Executive's reasonable legal fees incurred in negotiating and drafting this Agreement up to a maximum of $20,000, provided that any such payment will be made on or before March 15 of the calendar year immediately following the Effective Date.

9.4 California State Income Taxes. During the Employment Term, the Company and Executive hereby agree to take all reasonable precautions to ensure that no amount payable to Executive under this Agreement is subject to California state income tax. If the Company pays Executive an amount under this Agreement that is determined to be subject to California state income tax (any such payment, a

"***CA Taxable Payment***"), then the Company will pay Executive an additional amount (a "***Gross-Up Payment***") such that the net amount retained by Executive, after deduction of any California state income tax on the amount, and any Federal, state and local income and employment taxes on the Gross-Up Payment, equals the CA Taxable Payment. Except as otherwise provided in a written agreement between the Company and Executive, any determination required under this Section 9.4 will be made in good faith by the Company, and agreed to by Executive.

9.5 Entire Agreement. This Agreement, together with any attendant or ancillary documents, specifically including, but not limited to (a) all documents referenced in this Agreement and (b) the written policies and procedures of the Company and Berry Petroleum, embodies the entire understanding of the parties hereto, and, upon the Effective Date, will supersede all other oral or written agreements or understandings between them regarding the subject matter hereof. No agreement or representation, oral or otherwise, express or implied, with respect to the subject matter of this Agreement, has been made by either party which is not set forth expressly in this Agreement or the other documents referenced in this Section 9.5.

9.6 Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of Delaware other than the conflict of laws provision thereof.

9.7 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial. In the event of any dispute, controversy or claim between the Company or Berry Petroleum and Executive arising out of or relating to the interpretation, application or enforcement of the provisions of this Agreement, the Company, Berry Petroleum, and Executive agree and consent to the personal jurisdiction of the state and local courts of Dallas County, Texas and/or the United States District Court for the Northern District of Texas, Dallas Division for resolution of the dispute, controversy or claim, and that those courts, and only those courts, will have any jurisdiction to determine any dispute, controversy or claim related to, arising under or in connection with this Agreement. The Company, Berry Petroleum, and Executive also agree that those courts are convenient forums for the parties to any such dispute, controversy or claim and for any potential witnesses and that process issued out of any such court or in accordance with the rules of practice of that court may be served by mail or other forms of substituted service to the Company or Berry Petroleum at the address of their principal executive offices and to Executive at his last known address as reflected in the Company's records.

9.8 Withholding of Taxes. The Company will withhold from any amounts payable under the Agreement all federal, state, local or other taxes as legally will be required to be withheld.

9.9 Survival. Provisions of this Agreement will survive any termination of Executive's employment if so provided or if necessary or desirable to fully accomplish the purposes of the other surviving provisions, including, without limitation, the obligations of Executive under Sections 7 and 9 and the obligations of the Company under Sections 4, 6, and 9.4.

9.10 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by facsimile (with written confirmation of receipt), provided that a copy is mailed by registered mail, return receipt requested, or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a party may designate by notice to the other parties).

To the Company:

Berry Petroleum Company, LLC
Attn: Chief Legal Officer
5201 Truxtun Avenue
Bakersfield, CA 93309-0640

To Berry Petroleum:

Berry Petroleum Corporation
Attn: Chief Legal Officer
5201 Truxtun Avenue
Bakersfield, CA 93309-0640

To Executive:

At the address reflected in the Company's written records.

Addresses may be changed by written notice sent to the other party at the last recorded address of that party.

9.11 Attorneys' Fees. Should any party to this Agreement seek to enforce any of the provisions hereof or to protect his or its interest in any manner arising under this Agreement, or to recover damages for breach of this Agreement, the non-prevailing party in any action pursued in a court of competent jurisdiction (the finality of which is not legally contested) agrees to pay to the prevailing party all reasonable attorneys' fees, costs, and expenses expended or incurred in connection therewith.

9.12 Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

9.13 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument.

9.14 Headings. The headings used in this Agreement are for convenience only, do not constitute a part of the Agreement, and will not be deemed to limit, characterize, or affect in any way the provisions of the Agreement, and all provisions of the Agreement will be construed as if no headings had been used in the Agreement.

9.15 Construction. As used in this Agreement, unless the context otherwise requires: (a) the terms defined herein will have the meanings set forth herein for all purposes; (b) references to "Section" are to a section hereof; (c) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; (d) "writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; (e) "hereof," "herein," "hereunder" and comparable terms refer to the entirety of this Agreement and not to any particular section or other subdivision hereof or attachment hereto; (f) references to any gender include references to all genders; and (g) references to any agreement or other instrument or statute or regulation are referred to as amended or supplemented from time to time (and, in the case of a statute or regulation, to any successor provision).

9.16 Capacity; No Conflicts. Executive represents and warrants to the Company that: (a) he has full power, authority and capacity to execute and deliver this Agreement, and to perform his obligations hereunder, (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which he is a party or is otherwise bound, and (c) this Agreement is his valid and binding obligation, enforceable in accordance with its terms. Executive warrants and represents that he has actual authority to enter into this Agreement as the authorized act of the indicated entities.

[Signature page follows]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first written above.

BERRY PETROLEUM COMPANY, LLC

By: **BERRY PETROLEUM CORPORATION, its sole member**

By: /s/ Brent Buckley
Name: Brent Buckley
Title: Chairman of the Board of Directors

EXECUTIVE

/s/ Arthur T. Smith
Arthur T. Smith

For the limited purposes set forth herein:

BERRY PETROLEUM CORPORATION

By: /s/ Brent Buckley
Name: Brent Buckley
Title: Chairman of the Board of Directors

Exhibit 10.6

Execution Version

EXECUTIVE EMPLOYMENT AGREEMENT

This **EXECUTIVE EMPLOYMENT AGREEMENT** ("***Agreement***") is entered into by and between Berry Petroleum Company, LLC, a Delaware limited liability company (the "***Company***"), and Cary D. Baetz ("***Executive***"), as of this 28th day of June, 2017, but effective as of June 20, 2017 (the "***Effective Date***"). Berry Petroleum Corporation, a Delaware corporation and a 100% parent of the Company ("***Berry Petroleum***"), is joining in this Agreement for the limited purpose of reflecting its agreement to the matters set forth herein as to it, but such joinder is not intended to make Berry Petroleum the employer of Executive for any purpose. Certain capitalized terms used in this Agreement are defined in Section 8.

In consideration of the promises and mutual covenants set forth herein and for other good and valuable consideration, the parties hereto agree as follows:

1. Position and Duties.

1.1 Employment; Title; Reporting. Beginning on the Effective Date, the Company agrees to employ Executive and Executive agrees to be employed by the Company, upon the terms and subject to the conditions provided under this Agreement. During the Term (as defined in Section 2), Executive will serve each of the Company and Berry Petroleum as the Executive Vice President and Chief Financial Officer. Executive will report directly to the Company's Chief Executive Officer ("***CEO***").

1.2 Board Membership. Within a reasonable period following the Effective Date and at each annual meeting of the Company's stockholders prior to the Termination Date (as defined in Section 2), Berry Petroleum will nominate Executive to serve as a member of the Board of Directors of Berry Petroleum (including any committees thereof, the "***Board***"). Executive's service as a member of the Board will be subject to any required stockholder approval.

1.3 Duties. Executive will perform such duties and have such responsibilities as are typically associated with the position of Executive Vice President and Chief Financial Officer, including such duties and responsibilities as are prescribed by the CEO consistent with such position. Executive will devote substantially all of his full working time and attention to the business and affairs of the Company, will use his best efforts to promote the Company's interests, and will perform his duties and responsibilities faithfully, diligently and to the best of his ability, consistent with sound business practices. Executive will comply with the Company's policies, codes and procedures, as they may be in effect from time to time.

1.4 Place of Employment. Executive shall perform his duties under this Agreement from a remote location, or, as reasonably requested by the CEO, from the Company's offices in Dallas, Texas. Executive acknowledges and agrees that the performance of his duties hereunder will likely require substantial business travel.

2. Term of Employment.

The term of Executive's employment hereunder (the "***Term***") will begin on the Effective Date and will end on the date of Executive's termination of employment from the Company (the "***Termination Date***"). Executive hereby acknowledges and agrees that his employment with the Company is "at will" and that either the Company or Executive can terminate the employment relationship at any time, with or without notice, for any reason or for no reason, subject to Section 5.2. Upon termination of Executive's employment hereunder for any reason, Executive will be deemed to have resigned from all positions that Executive holds as an officer or member of the Board (or a committee thereof) of the Company, Berry Petroleum, or any of their subsidiaries or affiliates.

3. Compensation.

3.1 Base Salary. During the Term, Executive will be entitled to receive a base salary ("***Base Salary***") at an annual rate of $500,000, payable in accordance with Company's regular payroll practices.

3.2 Bonus Compensation. For each calendar year ending during the Term, Executive will be eligible to earn an annual bonus (the "***Annual Incentive Bonus***") in the target amount of 100% of Base Salary (the "***Target Bonus Amount***") and a maximum annual bonus equal to 200% of Base Salary; *provided*, *however*, that Executive's Target Bonus Amount for the remainder of the 2017 calendar year will be prorated from the Effective Date. The actual amount of the Annual Incentive Bonus with respect to the 2017 calendar year, and any subsequent calendar years, will be determined by the Company based on Executive's and the Company's fulfillment of performance goals established by the Company with respect to the applicable calendar year. The Annual Incentive Bonus for any calendar year will (if and to the extent earned) be paid no later than the March 15th following the completion of such calendar year. Except as provided in Section 5.2, Executive must remain continuously employed with the Company through the payment date of the Annual Incentive Bonus in order to receive such Annual Incentive Bonus.

3.3 Long-Term Incentive Awards.

(a) *Sign-On Equity Awards*. On or before June 30, 2017, Executive will receive long-term incentive compensation awards (the "***Sign-On Equity Awards***") under the Berry Petroleum Corporation 2017 Omnibus Incentive Plan (the "***Equity Plan***"). The Sign-On Equity Awards will have an aggregate grant date target value of three million dollars ($3,000,000). It is contemplated that the terms and conditions of the Sign-On Equity Awards (including, without limitation, the form of award(s), vesting schedule, performance objectives, restrictive provisions, etc.) will be substantially similar to the terms and conditions applicable to the sign-on equity awards granted to the CEO. The Sign-On Equity Awards will be subject to the Equity Plan and will be memorialized in (and subject to the terms of) written award agreements approved by the Board.

(b) After March 1, 2020, and subject Executive's continuing employment under the terms of this Agreement at that time, Executive will be eligible to receive annual equity awards ("***Annual Equity Awards***"). The actual grant date target value of any such Annual Equity Awards will be determined in the discretion of the Board after taking into account the Company's and Executive's performance and other relevant factors, but it is contemplated that such Annual Equity Awards will have an aggregate grant date target value equal to Executive's Base Salary for the calendar year of grant, subject to the Board's evaluation of Executive's performance and then current market compensatory levels and practices. It is further contemplated that the terms and conditions of the Annual Equity Awards (including, without limitation, the form of award(s), vesting schedule, performance objectives, restrictive provisions, etc.) will be the same as such terms and conditions applicable to the annual long-term incentive awards granted to other senior executive officers of the Company at the time of such grants. The Annual Equity Awards will be subject to the Equity Plan and will be memorialized in (and subject to the terms of) written award agreements approved by the Board.

4. Expenses and Other Benefits.

4.1 Reimbursement of Expenses. Executive will be entitled to receive prompt reimbursement for all reasonable expenses, including all reasonable travel expenses, incurred by him during the Term (in accordance with the policies and practices as may be established by the Company from time to time) in performing services under this Agreement, *provided that* Executive properly accounts for such expenses

in accordance with the Company's policies as in effect from time to time. Without limiting or expanding the immediately preceding sentence, in connection with any travel by Executive in performing services under this Agreement, the Company will pay or reimburse Executive for (a) business class air travel (or first class if business class is not reasonably available) for flights with a scheduled flight time exceeding one (1) hour in duration, and (b) private ground transportation for ground travel that Executive reasonably expects will exceed one (1) hour in duration and, in his reasonable judgement, is necessary or appropriate.

4.2 Vacation. Executive will be entitled to paid vacation time each year during the Term that will accrue in accordance with the Company's policies and procedures now in force or as such policies and procedures may be modified with respect to all senior executive officers of the Company.

4.3 Other Employee Benefits. In addition to the foregoing, during the Term, Executive will be entitled to participate in and to receive benefits as a senior executive under all of the Company's employee benefit plans, programs and arrangements generally available to senior executives, subject to the eligibility criteria and other terms and conditions thereof, as such plans, programs and arrangements may be duly amended, terminated, approved or adopted by the Board from time to time.

5. Compensation Upon Termination.

5.1 Termination Generally. If Executive's employment hereunder terminates for any reason other than as described in Section 5.2 below, then all compensation and all benefits to Executive hereunder will terminate contemporaneously with such termination of employment, except that Executive will be entitled to (a) payment of all accrued and unpaid Base Salary to the Termination Date, (b) reimbursement for all incurred but unreimbursed expenses for which Executive is entitled to reimbursement in accordance with Section 4.1, (c) benefits to which Executive is entitled under the terms of any applicable benefit plan or program of the Company or an affiliate (such amounts set forth in (a), (b), and (c) are collectively referred to herein as the "***Accrued Rights***").

5.2 Termination by the Company without Cause or by Executive for Good Reason. If the Company terminates Executive's employment without Cause (as defined in Section 8.1) or Executive terminates his employment with the Company for Good Reason (as defined in Section 8.3), then all compensation and all benefits to Executive hereunder will terminate contemporaneously with such termination of employment, except that Executive will be entitled to receive the Accrued Rights and the additional compensation set forth in Sections 5.2(a) through (d), below (such additional compensation, the "***Severance***").

(a) *Unpaid Prior Year Annual Incentive Bonus*. The Company will pay Executive any earned but unpaid Annual Incentive Bonus for the calendar year ending prior to the Termination Date, which amount will be payable in a lump-sum on or before the date such annual bonuses are paid to Executives who have continued employment with the Company (but in no event earlier than sixty (60) days following the Date of Termination nor later than March 15th of the year following the calendar year ending prior to the Termination Date).

(b) *Prorated Current Year Annual Incentive Bonus*. The Company will pay Executive a bonus for the calendar year in which the Termination Date occurs in an amount equal to the Annual Incentive Bonus for such year as determined by the Company in accordance with the criteria established pursuant to Section 3.2 and based on the Company's actual performance for such year, which amount will be prorated through and including the Termination Date (based on the ratio of the number of days Executive was employed by the Company during such year to the number of days in such year), payable in a lump-sum on or before the date such annual bonuses are paid to Executives who have continued employment with the Company (but in no event earlier than 60 days after the Termination Date nor later than March 15th of the year following the calendar year ending prior to the Termination Date).

(c) *Salary Continuation Payments*. Executive will be entitled to receive an amount equal to one (1) times (the "***Severance Multiplier***") the sum of (i) Executive's Base Salary for the year in which the Termination Date occurs and (ii) the greater of (A) the Annual Incentive Bonus received by Executive for the immediately preceding calendar year or (B) Executive's Target Bonus Amount for the year in which such termination occurs. Such amount shall be paid by the Company to Executive in twelve (12) substantially equal monthly installments beginning on or promptly following the sixtieth (60^{th}) day following the Termination Date (the "***Payment Date***"), *provided, however,* that if such sixty (60) day period begins in one taxable year and ends in a second taxable year, the Payment Date will occur in the second taxable year. Notwithstanding the foregoing, in the event that Executive's Termination Date occurs during the six (6) month period that begins immediately prior to a Sale of Berry Petroleum (the "***Change in Control Period***"), the Severance Multiplier shall be "two (2) times".

(d) *COBRA Reimbursement*. If Executive timely and properly elects continuation coverage under the Consolidated Omnibus Reconciliation Act of 1985 ("***COBRA***"), the Company shall reimburse Executive for the monthly COBRA premium paid by Executive for himself and his dependents. Any such reimbursement for the period prior to the Payment Date shall be paid to Executive in a lump sum on the Payment Date and any reimbursement for any month (or portion thereof) on and after the Payment Date shall be paid to Executive on the tenth (10^{th}) day of the month immediately following the month in which Executive timely remits the premium payment. Executive shall be eligible to receive such reimbursement until the earliest of: (i) the eighteen (18) month anniversary of the Termination Date; (ii) the date Executive is no longer eligible to receive COBRA continuation coverage; and (iii) the date on which Executive becomes eligible to receive substantially similar coverage from another employer. Notwithstanding the foregoing, if the Company's making payments under this Section 5.2(d) would violate the nondiscrimination rules applicable to non-grandfathered group health plans, or result in the imposition of penalties under the Patient Protection and Affordable Care Act of 2010 and the related regulations and guidance promulgated thereunder ("***PPACA***"), the parties agree to reform this Section 5.2(d) in a manner as is necessary to comply with PPACA.

5.3 Release Requirement; Continuing Obligations. Any obligation of the Company to pay an amount set forth in Section 5.2(a), (b), (c), or (d) is conditioned upon Executive timely signing and returning to the Company (and not revoking) a release of claims in favor of the Company, its affiliates and their respective officers and directors in a form substantially similar to that attached as Exhibit A to this Agreement (the "***Release***"), and on Executive's continued compliance with his obligations to the Company and its affiliates that survive termination of his employment, including, without limitation, continuing obligations under Section 6. The Release must be signed and become irrevocable on or before the date that is 52 days after the Termination Date. If Executive does not sign (and not revoke) the Release within such 52-day period, Executive shall not be paid any amount set forth in Section 5.2(a), (b), (c), or (d).

For avoidance of doubt, the following termination events will not be deemed to be a termination "without Cause": (a) Executive's death; (b) Executive's termination of employment on account of Executive's Disability (as defined in Section 8.2); (c) the transfer of Executive's employment to another member of the Company Group, *provided* such member assumes and agrees to be bound by this Agreement; or (d) the transfer of Executive's employment to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all of the business or assets of the Company, *provided* such successor or assign assumes and agrees to be bound by this Agreement.

5.4 Non-Duplication of Severance Benefits. In no event will Executive be entitled to any payments in the nature of severance or termination payments except as specifically provided in this Section 5.

6. Indemnification. If Executive is made a party or threatened to be made a party to any action, suit, or proceeding, whether civil, criminal, administrative, or investigative (a "***Proceeding***"), other than any Proceeding initiated by Executive, Berry Petroleum, or the Company related to any contest or dispute between Executive and Berry Petroleum or the Company or any of their subsidiaries or affiliates with respect to this Agreement or Executive's employment hereunder, by reason of the fact that Executive is or was a director or officer of Berry Petroleum or the Company, or any subsidiary or affiliate of Berry Petroleum or the Company, or is or was serving at the request of Berry Petroleum or the Company as a director, officer, member, employee, or agent of another corporation or a partnership, joint venture, trust, or other enterprise, Executive will be indemnified and held harmless by Berry Petroleum and the Company to the maximum extent permitted under applicable law and, as applicable, Berry Petroleum's or the Company's organizational documents, from and against any liabilities, costs, claims, and expenses, including all costs and expenses incurred in defense of any Proceeding (including reasonable attorneys' fees).

7. Restrictive Covenants.

7.1 Confidential Information.

(a) *Confidentiality*. Executive hereby acknowledges that in connection with his employment by the Company, he will be exposed to and may obtain certain Confidential Information (as defined below) (including, without limitation, procedures, memoranda, notes, records and customer and supplier lists whether such information has been or is made, developed or compiled by Executive or otherwise has been or is made available to him) regarding the business and operations of the Company and its subsidiaries and affiliates (collectively, the "***Company Group***"). Executive further acknowledges that such Confidential Information is unique, valuable, considered trade secrets and deemed proprietary by the Company Group. For purposes of this Agreement, "***Confidential Information***" includes, without limitation, any information heretofore or hereafter acquired, developed or used by any member of the Company Group relating to Business Opportunities (defined below) or Intellectual Property (defined below) or other geological, geophysical, economic, financial or management aspects of the business, operations, properties or prospects of the members of the Company Group, whether oral or in written form. Executive agrees that all Confidential Information is and will remain the property of the Company Group. Executive further agrees, except for disclosures occurring in the good faith performance of his duties for the Company, Executive will, for the duration of the Term, hold in the strictest confidence all Confidential Information, and will not, during the Term and for a period of five years after the Termination Date, directly or indirectly, duplicate, sell, use, lease, commercialize, disclose or otherwise divulge to any person or entity any portion of the Confidential Information or use any Confidential Information, directly or indirectly, for his own benefit or profit or allow any person, entity or third party, other than the Company or other member of the Company Group and authorized Executives of the same, to use or otherwise gain access to any Confidential Information. Executive will have no obligation under this Agreement with respect to any information that becomes generally available to the public other than as a result of a disclosure by Executive or his agent or other representative or becomes available to Executive on a non-confidential basis from a source other than a member of the Company Group. Further, Executive will have no obligation under this Agreement to keep confidential any of the Confidential Information to the extent that a disclosure of it is required by law or is consented to by the Company; *provided, however,* that if and when such a disclosure is required by law, Executive promptly will provide the Company with notice of such requirement, so that the Company may seek an appropriate protective order.

(b) *SEC Provisions*. Executive understands that nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Securities and Exchange Commission ("***SEC***"). Executive further understands that this Agreement does not limit Executive's ability to communicate with the SEC or otherwise participate in any investigation or proceeding that may be conducted by the SEC, including providing documents or other information, without notice to the Company. This Agreement does not limit Executive's right to receive an award for information provided to the SEC. This Section 7.1(b) applies only for the period of time that the Company is subject to the Dodd-Frank Act.

(c) *Trade Secrets*. The parties specifically acknowledge that 18 U.S.C. § 1833(b) provides: "An individual will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(i) is made—(A) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, notwithstanding anything to the contrary in the foregoing, the parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law.

7.2 Return of Property. Executive agrees to deliver promptly to the Company, upon termination of his employment hereunder, or at any other time when the Company so requests, all documents in his possession relating to the business of the Company Group, including without limitation: all geological and geophysical reports and related data such as maps, charts, logs, seismographs, seismic records and other reports and related data, calculations, summaries, memoranda and opinions relating to the foregoing, production records, electric logs, core data, pressure data, lease files, well files and records, land files, abstracts, title opinions, title or curative matters, contract files, notes, records, drawings, manuals, correspondence, financial and accounting information, customer lists, statistical data and compilations, patents, copyrights, trademarks, trade names, inventions, formulae, methods, processes, agreements, contracts, manuals or any documents relating to the business of the Company Group and all copies thereof and therefrom; *provided, however*, that Executive will be permitted to retain copies of any documents or materials of a personal nature or otherwise related to Executive's rights under this Agreement, copies of this Agreement and any attendant or ancillary documents specifically including any documents referenced in this Agreement and copies of any documents related to Executive's equity-based incentive awards and other compensation.

7.3 Non-Compete Obligations.

(a) *Non-Compete Obligations During the Term.* Executive agrees that, during the Employment Term:

(i) Executive will not, other than through the Company or Berry Petroleum, engage or participate in any manner, whether directly or indirectly as an employee, employer, consultant, agent, principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is engaged in direct competition anywhere in the United States with the Company, Berry Petroleum, or any of their direct or indirect subsidiaries, in each case in the leasing, acquiring, exploring, producing, gathering or marketing of hydrocarbons and related products; and

(ii) Executive will not (directly or indirectly through any family members or other persons) invest or otherwise participate alongside the Company, Berry Petroleum, or their direct or indirect subsidiaries, in any Business Opportunity (defined below).

Notwithstanding the foregoing, nothing in this Section 7.3(a) will be deemed to prohibit Executive from owning, or otherwise having an interest in, less than 1% of any publicly owned entity or 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 Executive has no active role with respect to any investment by such fund in any entity.

(b) *Non-Compete Obligations After Termination Date.* Executive agrees that some restrictions on Executive's activities after Executive's employment are necessary to protect the goodwill, Confidential Information, and other legitimate interests of the Company, Berry Petroleum, and their direct and indirect subsidiaries. The Company has and following the Effective Date the Company will provide Executive with access to and knowledge of Confidential Information and trade secrets and will place Executive in a position of trust and confidence with the Company, and Executive will benefit from the Company's goodwill. The restrictive covenants below are necessary to protect the Company's and Berry Petroleum's legitimate business interests in their Confidential Information, trade secrets and goodwill. Executive further understands and acknowledges that the Company's and Berry Petroleum's ability to reserve these for the exclusive knowledge and use of the Company and Berry Petroleum is of great competitive importance and commercial value to the Company and Berry Petroleum and that the Company and Berry Petroleum would be irreparably harmed if Executive violates the restrictive covenants below. In recognition of the consideration provided to Executive as well as the imparting to Executive of Confidential Information, including trade secrets, and for other good and valuable consideration, Executive hereby agrees that Executive will not, during the Restricted Period (as defined in Section 8.4), engage or participate in any manner, whether directly or indirectly as an employee, employer, consultant, agent principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor, or in any other individual or representative capacity, in any business or activity which is in direct competition with the Company, Berry Petroleum, or their direct or indirect subsidiaries, in each case in the leasing, acquiring, exploring, producing, gathering or marketing of hydrocarbons and related products within the boundaries of, or within a ten-mile radius of the boundaries of, any mineral property interest of any of the Company, Berry Petroleum, or their direct or indirect subsidiaries (including, without limitation, a mineral lease, overriding royalty interest, production payment, net profits interest, mineral fee interest or option or right to acquire any of the foregoing, or an area of mutual interest as designated pursuant to contractual agreements between the Company or any direct or indirect subsidiary, and any third party) or any other property on which any of the Company, Berry Petroleum, or their direct or indirect subsidiaries has an option, right, license or authority to conduct or direct exploratory activities, such as three-dimensional seismic acquisition or other seismic, geophysical and geochemical activities (but not including any preliminary geological mapping), as of the Termination Date or as of the end of the six-month period following such Termination Date; *provided*, *that*, this Section 7.3(b) will not preclude Executive from making investments in securities of oil and gas companies which are registered on a national stock exchange, if the aggregate amount owned by Executive and all family members and affiliates does not exceed 3% of such company's outstanding securities.

7.4 Non-Solicitation. During the Term and the Restricted Period (as defined in Section 8.4), Executive agrees and covenants that he will not, whether for his own account or for the account of any other person (other than a member of the Company Group), intentionally (a) solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment or service of any Executive or other service provider of the Company Group (including any independent sales representatives), or (b) solicit, contact (including but not limited to e-mail, regular mail, express mail, telephone, fax, and instant message), attempt to contact, or meet with the Company's current, former or prospective clients, vendors or customers for purposes of offering or accepting goods or services similar to or competitive with those offered by the Company Group.

7.5 Assignment of Developments. Executive assigns and agrees to assign without further compensation to the Company and its successors, assigns or designees, all of Executive's right, title and interest in and to all Business Opportunities and Intellectual Property (as those terms are defined below), and further acknowledges and agrees that all Business Opportunities and Intellectual Property constitute the exclusive property of the Company.

For purposes of this Agreement, "***Business Opportunities***" means 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 Executive during the Term, or originated by any third party and brought to the attention of Executive during the Term, 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).

For purposes of this Agreement, "***Intellectual Property***" will mean all ideas, inventions, discoveries, processes, designs, methods, substances, articles, computer programs and improvements (including, without limitation, enhancements to, or further interpretation or processing of, information that was in the possession of Executive prior to the date of this Agreement), whether or not patentable or copyrightable, which do not fall within the definition of Business Opportunities, which Executive discovers, conceives, invents, creates or develops, alone or with others, during the Term, if such discovery, conception, invention, creation or development (a) occurs in the course of Executive's employment with the Company, or (b) occurs with the use of any of the time, materials or facilities of the Company or its direct or indirect subsidiaries, or (c) in the good faith judgment of the CEO, relates or pertains in any material way to the purposes, activities or affairs of the Company Group.

7.6 Injunctive Relief. Executive acknowledges that a breach of any of the covenants contained in this Section 7 may result in material, irreparable injury to the Company for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat of breach, the Company will be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining Executive from engaging in activities prohibited by this Section 7 or such other relief as may be required to specifically enforce any of the covenants in this Section 7.

7.7 Adjustment of Covenants. The parties consider the covenants and restrictions contained in this Section 7 to be reasonable. However, if and when any such covenant or restriction is found to be void or unenforceable and would have been valid had some part of it been deleted or had its scope of application been modified, such covenant or restriction will be deemed to have been applied with such modification as would be necessary and consistent with the intent of the parties to have made it valid, enforceable and effective.

7.8 Forfeiture Provision. If Executive engages in any activity that violates any covenant or restriction contained in this Section 7, in addition to any other remedy the Company may have at law or in equity, (a) Executive will be entitled to no further payments or benefits from the Company under this Agreement or otherwise, except for any payments or benefits required to be made or provided under applicable law, and (b) all forms of long-term incentive compensation (whether cash or equity-based) held by or credited to Executive will terminate effective as of the date on which Executive engages in that activity, unless terminated sooner by operation of another term or condition of this Agreement or other applicable plans and agreements.

8. Definition of Terms. The following terms referred to in this Agreement will have the following meanings:

8.1 "***Cause***" means any of the following: (a) Executive's repeated failure to fulfill substantially his material obligations with respect to his employment (which failure, if able to be cured, remains uncured or continues or recurs thirty (30) days after written notice from the CEO or the Board); (b) Executive's conviction of or plea of guilty or *nolo contendere* to a felony or to a crime involving moral turpitude resulting in material financial or reputational harm to the Company, Berry Petroleum, or any of their subsidiaries or affiliates; (iii) Executive's engaging in conduct that constitutes gross negligence or gross misconduct in carrying out his duties with respect to his employment hereunder; (iv) a material violation by Executive of any non-competition or non-solicitation provision, or of any confidentiality provision, contained in this Agreement or any agreement between Executive and the Company, Berry Petroleum, or any of their subsidiaries or affiliates; (v) any act by Executive involving dishonesty relating to the business of the Company, Berry Petroleum, or any of their subsidiaries or affiliates that adversely and materially affects the business of the Company, Berry Petroleum, or any of their subsidiaries or affiliates; or (vi) a material breach by Executive of the Company's written code of ethics or any other material written policy or regulation of the Company, Berry Petroleum, or any of their subsidiaries or affiliates governing the conduct of its employees or contractors (which breach, if able to be cured, remains uncured or continues or recurs 30 days after written notice from the CEO or the Board).

8.2 "***Disability***" means Executive is unable to perform the essential functions of the position, even with reasonable accommodation, for four (4) months in any twelve (12) month period and there is no vacant position to which Executive could be transferred for which Executive is qualified.

8.3 "***Good Reason***" means the occurrence of any of the following, in each case during the Term without Executive's written consent: (a) a material reduction in Executive's Base Salary; (b) a permanent relocation of Executive's principal place of employment by more than thirty (30) miles from the location in effective immediately prior to such relocation; (c) any material breach by the Company of any material provision of this Agreement; (d) the Company's failure to obtain an agreement from any successor to the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no succession had taken place, except where such assumption occurs by operation of law; or (d) a material diminution in the nature or scope of the Executive's authority or responsibilities from those applicable to Executive as of the Effective Date (or as modified thereafter consistent with this Agreement). Executive cannot terminate his employment for "Good Reason" unless he has provided written notice to the Company of the existence of the circumstances providing grounds for termination for Good Reason within ninety (90) days of the initial existence of such grounds and the Company has had at least thirty (30) days from the date on which such notice is provided to cure such circumstances. If Executive does not deliver a notice of termination for "Good Reason" within thirty (30) days after such cure period, then Executive will be deemed to have waived his right to terminate for "Good Reason."

8.4 "***Restricted Period***" means (a) in the case of Executive's termination by the Company without Cause during a Change in Control Period or by Executive for Good Reason during a Change in Control Period, the twenty-four (24) month period beginning on the Termination Date and (b) in all other cases, the eighteen (18) month period beginning on the Termination Date.

8.5 "***Sale of Berry Petroleum***" means the first to occur of:

(a) The acquisition by 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 (the "***Exchange Act***")) (a "***Person***") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either (i) the then-outstanding equity interests of Berry Petroleum (the "***Outstanding Company Equity***") or (ii) the combined voting power of the then-outstanding voting securities of Berry Petroleum entitled to vote generally in the election of directors (the "***Outstanding Company Voting Securities***"); *provided, however*, that, for purposes of this Section 8.5, the following acquisitions will not constitute a Sale of Berry Petroleum: (A) any acquisition directly from Berry Petroleum (including, for avoidance of doubt, an initial public offering of Berry Petroleum stock), (B) any acquisition by Berry Petroleum, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliated company, or (4) any acquisition by any corporation or other entity pursuant to a transaction that complies with Section 8.2(c)(iii)(A), Section 8.2(c)(ii)(B), or Section 8.2(c)(iii)(C);

(b) Any time at which individuals who, as of the date hereof, constitute the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the Board; *provided, however,* that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by Berry Petroleum's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board will be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Incumbent Board; or

(c) Consummation of (i) a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving Berry Petroleum or any of its subsidiaries, (ii) a sale or other disposition of assets of Berry Petroleum that have a total gross fair market value (*i.e.*, determined without regard to any liabilities associated with such assets) equal to or more than 75% of the total gross fair market value of all of the assets of Berry Petroleum immediately prior to such sale or other disposition, or (iii) the acquisition of assets or equity interests of another entity by Berry Petroleum or any of its subsidiaries (each, a "***Business Combination***"), in each case unless, following such Business Combination, (A) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Equity and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding equity interests and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation or other entity that, as a result of such transaction, owns Berry Petroleum or all or substantially all of Berry Petroleum's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Equity and the Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of Berry Petroleum or such corporation or other entity resulting from such Business Combination) beneficially owns, directly or indirectly, 50% or more of, respectively, the then-outstanding equity interests of the corporation or other entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation or other entity, except to the extent that such ownership existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors of the corporation or equivalent body of any other entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination.

9. Miscellaneous.

9.1 No Conflicting Agreements. Executive hereby represents and warrants that the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which Executive is a party or is bound, and that Executive is not now subject to any covenants against competition or similar covenants or any other obligations to any person or to any court order, judgment or decree that would affect the performance of his obligations hereunder. Executive will not disclose to or use on behalf of the Company any proprietary information of a third-party without such party's consent.

9.2 Assignment; Successors; Binding Agreement. This Agreement is personal to Executive and may not be assigned by Executive, whether by operation of law or otherwise, without the prior written consent of the Company. The Company may assign this Agreement to any member of the Company Group or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all of the business or assets of the Company. This Agreement shall inure to the benefit of the Company and its permitted successors and assigns.

9.3 California State Income Taxes. During the Employment Term, the Company and Executive hereby agree to take all reasonable precautions to ensure that no amount payable to Executive under this Agreement is subject to California state income tax. If the Company pays Executive an amount under this Agreement that is determined to be subject to California state income tax (any such payment, a "***CA Taxable Payment***"), then the Company will pay Executive an additional amount (a "***Gross-Up Payment***") such that the net amount retained by Executive, after deduction of any California state income tax on the amount, and any Federal, state and local income and employment taxes on the Gross-Up Payment, equals the CA Taxable Payment. Any determination required under this Section 9.3 will be made in good faith by the Company.

9.4 Modification and Waiver. Except as otherwise provided below, no provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is agreed to in writing by Executive and the Company. No waiver by any party of any breach by any other party of, or of compliance with, any term or condition of this Agreement to be performed by any other party, at any time, will constitute a waiver of similar or dissimilar terms or conditions at that time or at any prior or subsequent time.

9.5 Entire Agreement. This Agreement, together with any attendant or ancillary documents, specifically including, but not limited to (a) all documents referenced in this Agreement and (b) the written policies and procedures of the Company, embodies the entire understanding of the parties hereto, and supersedes all other oral or written agreements or understandings between them regarding the subject matter hereof. No agreement or representation, oral or otherwise, express or implied, with respect to the subject matter of this Agreement, has been made by either party which is not set forth expressly in this Agreement or the other documents referenced in this Section 9.5.

9.6 Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of Delaware other than the conflict of laws provision thereof.

9.7 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial. In the event of any dispute, controversy or claim between the Company and Executive arising out of or relating to the interpretation, application or enforcement of the provisions of this Agreement, the Company and Executive agree and consent to the personal jurisdiction of the state and local courts of Dallas County, Texas and/or the United States District Court for the Northern District of Texas for resolution of the

dispute, controversy or claim, and that those courts, and only those courts, will have any jurisdiction to determine any dispute, controversy or claim related to, arising under or in connection with this Agreement. The Company and Executive also agree that those courts are convenient forums for the parties to any such dispute, controversy or claim and for any potential witnesses and that process issued out of any such court or in accordance with the rules of practice of that court may be served by mail or other forms of substituted service to the Company at the address of their principal Executive offices and to Executive at his last known address as reflected in the Company's records.

9.8 Withholding of Taxes. The Company will withhold from any amounts payable under the Agreement all federal, state, local or other taxes as legally will be required to be withheld.

9.9 Survival. Provisions of this Agreement will survive any termination of Executive's employment if so provided or if necessary or desirable to fully accomplish the purposes of the other surviving provisions, including without limitation Sections 5, 7 and 8.

9.10 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and be delivered personally or sent by registered or certified mail, return receipt requested, or by overnight carrier to the parties at the addresses set forth below (or such other addresses as specified by the parties by like notice):

To the Company:

Berry Petroleum Company, LLC
Attn: General Counsel
5201 Truxtun Avenue, Suite 100
Bakersfield, CA 93309-0640

To Berry Petroleum:

Berry Petroleum Corporation
Attn: General Counsel
5201 Truxtun Avenue, Suite 100
Bakersfield, CA 93309-0640

To Executive:

At the address reflected in the Company's written records.

9.11 Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

9.12 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument.

9.13 Headings. The headings used in this Agreement are for convenience only, do not constitute a part of the Agreement, and will not be deemed to limit, characterize, or affect in any way the provisions of the Agreement, and all provisions of the Agreement will be construed as if no headings had been used in the Agreement.

9.14 Construction. As used in this Agreement, unless the context otherwise requires: (a) the terms defined herein will have the meanings set forth herein for all purposes; (b) references to "Section" are to a section hereof; (c) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; (d) "writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; (e) "hereof," "herein," "hereunder" and comparable terms refer to the entirety of this Agreement and not to any particular section or other subdivision hereof or attachment hereto; (f) references to any gender include references to all genders; and (g) references to any agreement or other instrument or statute or regulation are referred to as amended or supplemented from time to time (and, in the case of a statute or regulation, to any successor provision).

9.15 Capacity; No Conflicts. Executive represents and warrants to the Company that: (a) he has full power, authority and capacity to execute and deliver this Agreement, and to perform his obligations hereunder, (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which he is a party or is otherwise bound, and (c) this Agreement is his valid and binding obligation, enforceable in accordance with its terms.

9.16 Sections 280G and 409A of the Code. Notwithstanding anything in this Agreement to the contrary:

(a) If any of the payments or benefits received or to be received by Executive (including, without limitation, any payment or benefits received in connection with a Sale of Berry Petroleum or Executive's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the "***280G Payments***") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this Section 9.16(a), be subject to the excise tax imposed under Section 4999 of the Code (the "***Excise Tax***"), then prior to making the 280G Payments, a calculation will be made comparing (i) the Net Benefit (as defined below) to Executive of the 280G Payments after payment of the Excise Tax to (ii) the Net Benefit to Executive if the 280G Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount under (ii) above will the 280G Payments be reduced to the minimum extent necessary to ensure that no portion of the 280G Payments is subject to the Excise Tax. "***Net Benefit***" will mean the present value of the 280G Payments net of all federal, state, local, foreign income, employment, and excise taxes. Any reduction made pursuant to this Section 9.16(a) will be made in a manner determined by the Company that is consistent with the requirements of Section 409A of the Code and that maximizes Executive's economic position and after-tax income; for the avoidance of doubt, Executive will not have any discretion in determining the manner in which the payments and benefits are reduced.

(b) If any benefits payable or otherwise provided under this Agreement would be deemed to constitute non-qualified deferred compensation subject to Section 409A of the Code, the Company will have the discretion to adjust the terms of such payment or benefit (but not the amount or value thereof) as reasonably necessary to comply with the requirements of Section 409A of the Code to avoid the imposition of any excise tax or other penalty with respect to such payment or benefit under Section 409A of the Code.

(c) Any expense reimbursement payable to Executive under the terms of this Agreement will be paid on or before March 15 of the calendar year following the calendar year in which such reimbursable expense was incurred. The amount of such reimbursements that the Company is obligated to pay in any given calendar year will not affect the amount the Company is obligated to pay in any other calendar year. In addition, Executive may not liquidate or exchange the right to reimbursement of such expenses for any other benefits.

(d) Notwithstanding anything in this Agreement to the contrary, in the event that Executive is a "specified employee" (as determined under Section 409A of the Code) at the time of the separation from service triggering the payment or provision of benefits, any payment or benefit under this Agreement which is determined to provide for a deferral of compensation pursuant to Section 409A of the Code will not commence being paid or made available to Executive until after six months from the Termination Date that constitutes a separation from service within the meaning of Section 409A of the Code.

[Signature page follows]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first written above.

BERRY PETROLEUM COMPANY, LLC

By: **BERRY PETROLEUM CORPORATION, its sole member**

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: President and Chief Executive Officer

EXECUTIVE

/s/ Cary D. Baetz
Cary D. Baetz

For the limited purposes set forth herein:

BERRY PETROLEUM CORPORATION

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: President and Chief Executive Officer

[Signature Page to Executive Employment Agreement]

Exhibit A

Form of Release and Waiver of Claims Agreement

This Release and Waiver of Claims Agreement ("**Release**") is entered into by and between Berry Petroleum Company, LLC, a Delaware limited liability company (the "**Employer**"), on behalf of itself, its subsidiaries and other corporate affiliates and each of their respective executives, officers, directors, owners, shareholders and agents (collectively referred to herein as the "**Employer Group**"), and Cary D. Baetz ("**Executive**") (the Employer and the Executive are collectively referred to herein as the "**Parties**") as of [ ] (the "**Execution Date**").

1. Release.

(a) General Release and Waiver of Claims. In exchange for the consideration provided in this Release, the Executive and his/her heirs, executors, representatives, agents, insurers, administrators, successors and assigns (collectively the "**Releasors**") irrevocably and unconditionally fully and forever waive, release and discharge the Employer Group, including each member of the Employer Group's parents, subsidiaries, affiliates, predecessors, successors and assigns, and all of their respective officers, directors, employees, shareholders, and partners, in their corporate and individual capacities (collectively, the "**Releasees**") from any and all claims, demands, actions, causes of actions, obligations, judgments, rights, fees, damages, debts, obligations, liabilities and expenses (inclusive of attorneys' fees) of any kind whatsoever (collectively, "**Claims**"), whether known or unknown, from the beginning of time to the date of the Executive's execution of this Release, including, without limitation, any Claims under any federal, state, local or foreign law, that Releasors may have, have ever had or may in the future have arising out of, or in any way related to the Executive's hire, benefits, employment, termination or separation from employment with the Employer Group and any actual or alleged act, omission, transaction, practice, conduct, occurrence or other matter, including, but not limited to (i) any and all claims under Title VII of the Civil Rights Act, as amended, the Americans with Disabilities Act, as amended, the Family and Medical Leave Act, as amended, the Fair Labor Standards Act, the Equal Pay Act, as amended, the Executive Retirement Income Security Act, as amended (with respect to unvested benefits), the Civil Rights Act of 1991, as amended, Section 1981 of U.S.C. Title 42, the Sarbanes-Oxley Act of 2002, as amended, the Worker Adjustment and Retraining Notification Act, as amended, the National Labor Relations Act, as amended, the Age Discrimination in Employment Act, as amended, the Genetic Information Nondiscrimination Act of 2008, and/or any other Federal, state, local or foreign law (statutory, regulatory or otherwise) that may be legally waived and released; and (ii) any tort, contract and/or quasi-contract law, including but not limited to claims of wrongful discharge, defamation, emotional distress, tortious interference with contract, invasion of privacy, nonphysical injury, personal injury or sickness or any other harm. However, this general release of claims excludes, and the Executive does not waive, release or discharge (i) any right to file an administrative charge or complaint with the Equal Employment Opportunity Commission or other administrative agency; (ii) claims under state workers' compensation or unemployment laws; (iii) indemnification rights the Executive has against the Employer, (iv) claims under the Executive Employment Agreement between the Executive and the Employer dated June , 2017, and/or (v) any other claims that cannot be waived by law.

(b) Specific Release of ADEA Claims. In further consideration of the payments and benefits provided to the Executive in this Release, the Releasors hereby irrevocably and unconditionally fully and forever waive, release and discharge the Releasees from any and all Claims, whether known or unknown, from the beginning of time to the date of the Executive's execution of this Release arising under the Age Discrimination in Employment Act ("***ADEA***"), as amended, and its implementing regulations. By signing this Release, the Executive hereby acknowledges and confirms that: (i) the Executive has read this Release in its entirety and understands all of its terms; (ii) the Executive has been advised of and has availed him/herself of his/her right to consult with his/her attorney prior to executing this Release; (iii) the Executive knowingly, freely and voluntarily assents to all of the terms and conditions set out in this

Release including, without limitation, the waiver, release and covenants contained herein; (iv) the Executive is executing this Release, including the waiver and release, in exchange for good and valuable consideration in addition to anything of value to which he is otherwise entitled; (v) the Executive was given at least [twenty-one (21)/forty-five (45)] days to consider the terms of this Release and consult with an attorney of his/her choice, although he may sign it sooner if desired; (vi) the Executive understands that he has seven (7) days from the date he signs this Release to revoke the release in this paragraph by delivering notice of revocation to [NAME] at the Employer, [EMPLOYER ADDRESS] by e-mail/fax/overnight delivery before the end of such seven-day period; and (vii) the Executive understands that the release contained in this paragraph does not apply to rights and claims that may arise after the date on which the Executive signs this Release.

2. Knowing and Voluntary Acknowledgement. The Executive specifically agrees and acknowledges that: (i) the Executive has read this Release in its entirety and understands all of its terms; (ii) the Executive has been advised of and has availed himself of his right to consult with his attorney prior to executing this Release; (iii) the Executive knowingly, freely and voluntarily assents to all of its terms and conditions including, without limitation, the waiver, release and covenants contained herein; (iv) the Executive is executing this Release, including the waiver and release, in exchange for good and valuable consideration in addition to anything of value to which he is otherwise entitled; (v) the Executive is not waiving or releasing rights or claims that may arise after his execution of this Release; and (vi) the Executive understands that the waiver and release in this Release is being requested in connection with the cessation of his employment with the Employer Group.

The Executive further acknowledges that he has had [twenty-one (21)/forty-five (45)] days to consider the terms of this Release and consult with an attorney of his choice, although he may sign it sooner if desired. Further, the Executive acknowledges that he shall have an additional seven (7) days from the date on which he signs this Release to revoke consent to his release of claims under the ADEA by delivering notice of revocation to [NAME] at the Employer, [EMPLOYER ADDRESS] by e-mail/fax/overnight delivery before the end of such seven-day period. In the event of such revocation by the Executive, the Employer hall have the option of treating this Release as null and void in its entirety.

This Release shall not become effective, until the eighth (8th) day after/day the Executive and the Employer execute this Release. Such date shall be the Effective Date of this Release. No payments due to the Executive hereunder shall be made or begin before the Effective Date.

3. Miscellaneous.

(a) Assignment. Employer may assign this Release to any subsidiary or corporate affiliate in the Employer Group or otherwise, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Employer. This Release shall inure to the benefit of the Employer and permitted successors and assigns.

(b) Governing Law: Jurisdiction and Venue. This Release, for all purposes, shall be construed in accordance with the laws of Texas without regard to conflicts-of-law principles. Any action or proceeding by either of the Parties to enforce this Release shall be brought only in any state or federal court located in the State of Texas, County of Dallas. The Parties hereby irrevocably submit to the exclusive jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

(c) Modification and Waiver. No provision of this Release may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Executive and by the Employer’s Chief Executive Officer. No waiver by either of the Parties of any breach by the other party

hereto of any condition or provision of this Release to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power or privilege.

(d) Severability.

(i) Should any provision of this Release be held by a court of competent jurisdiction to be enforceable only if modified, or if any portion of this Release shall be held as unenforceable and thus stricken, such holding shall not affect the validity of the remainder of this Release, the balance of which shall continue to be binding upon the Parties with any such modification to become a part hereof and treated as though originally set forth in this Release.

(ii) The Parties further agree that any such court is expressly authorized to modify any such unenforceable provision of this Release in lieu of severing such unenforceable provision from this Release in its entirety, whether by rewriting the offending provision, deleting any or all of the offending provision, adding additional language to this Release or by making such other modifications as it deems warranted to carry out the intent and agreement of the Parties as embodied herein to the maximum extent permitted by law.

(iii) The Parties expressly agree that this Release as so modified by the court shall be binding upon and enforceable against each of them. In any event, should one or more of the provisions of this Release be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof, and if such provision or provisions are not modified as provided above, this Release shall be construed as if such invalid, illegal or unenforceable provisions had not been set forth herein.

(e) Captions. Captions and headings of the sections and paragraphs of this Release are intended solely for convenience and no provision of this Release is to be construed by reference to the caption or heading of any section or paragraph.

(f) Counterparts. This Release may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

(g) Nonadmission. Nothing in this Release shall be construed as an admission of wrongdoing or liability on the part of the Employer or any member of the Employer Group.

(h) Acknowledgment of Full Understanding. THE EXECUTIVE ACKNOWLEDGES AND AGREES THAT HE HAS FULLY READ, UNDERSTANDS AND VOLUNTARILY ENTERS INTO THIS RELEASE. THE EXECUTIVE ACKNOWLEDGES AND AGREES THAT HE HAS HAD AN OPPORTUNITY TO ASK QUESTIONS AND CONSULT WITH AN ATTORNEY OF HIS CHOICE BEFORE SIGNING THIS RELEASE. THE EXECUTIVE FURTHER ACKNOWLEDGES THAT HIS SIGNATURE BELOW IS AN AGREEMENT TO RELEASE BERRY PETROLEUM COMPANY, LLC FROM ANY AND ALL CLAIMS.

{*Signature page follows*}

IN WITNESS WHEREOF, the Parties have executed this Release as of the Execution Date above.

BERRY PETROLEUM COMPANY, LLC

By:_____
Name: [NAME OF AUTHORIZED OFFICER]
Title: [TITLE OF AUTHORIZED OFFICER]

CARY D. BAETZ

Signature:_____
Print Name: _____

Exhibit 10.7

Execution Version

EXECUTIVE EMPLOYMENT AGREEMENT

This **EXECUTIVE EMPLOYMENT AGREEMENT** ("***Agreement***") is entered into by and between Berry Petroleum Company, LLC, a Delaware limited liability company (the "***Company***"), and Gary A. Grove ("***Executive***"), as of this 28th day of June, 2017, but effective as of June 15, 2017 (the "***Effective Date***"). Berry Petroleum Corporation, a Delaware corporation and a 100% parent of the Company ("***Berry Petroleum***"), is joining in this Agreement for the limited purpose of reflecting its agreement to the matters set forth herein as to it, but such joinder is not intended to make Berry Petroleum the employer of Executive for any purpose. Certain capitalized terms used in this Agreement are defined in Section 8.

In consideration of the promises and mutual covenants set forth herein and for other good and valuable consideration, the parties hereto agree as follows:

1. Position and Duties.

1.1 Employment; Title; Reporting. Beginning on the Effective Date, the Company agrees to employ Executive and Executive agrees to be employed by the Company, upon the terms and subject to the conditions provided under this Agreement. During the Term (as defined in Section 2), Executive will serve the Company as its Executive Vice President and Chief Operating Officer. Executive will report directly to the Company's Chief Executive Officer ("***CEO***").

1.2 Duties. Executive will perform such duties and have such responsibilities as are typically associated with the position of Executive Vice President and Chief Operating Officer, including such duties and responsibilities as are prescribed by the CEO consistent with such position. Executive will devote substantially all of his full working time and attention to the business and affairs of the Company, will use his best efforts to promote the Company's interests, and will perform his duties and responsibilities faithfully, diligently and to the best of his ability, consistent with sound business practices. Executive will comply with the Company's policies, codes and procedures, as they may be in effect from time to time.

1.3 Place of Employment. Executive shall perform his duties under this Agreement from the Company's offices in Bakersfield, California, with the likelihood of substantial business travel.

2. Term of Employment.

The term of Executive's employment hereunder (the "***Term***") will begin on the Effective Date and will end on the date of Executive's termination of employment from the Company (the "***Termination Date***"). Executive hereby acknowledges and agrees that his employment with the Company is "at will" and that either the Company or Executive can terminate the employment relationship at any time, with or without notice, for any reason or for no reason, subject to Section 5.2. Upon termination of Executive's employment hereunder for any reason, Executive will be deemed to have resigned from all positions that Executive holds as an officer of the Company, Berry Petroleum, or any of their subsidiaries or affiliates.

3. Compensation.

3.1 Base Salary. During the Term, Executive will be entitled to receive a base salary ("***Base Salary***") at an annual rate of $450,000, payable in accordance with Company's regular payroll practices.

3.2 Bonus Compensation. For each calendar year ending during the Term, Executive will be eligible to earn an annual bonus (the "***Annual Incentive Bonus***") in the target amount of 100% of Base Salary (the "***Target Bonus Amount***") and a maximum annual bonus equal to 200% of Base Salary; *provided, however*, that Executive's Target Bonus Amount for the remainder of the 2017 calendar year will be prorated from the Effective Date. The actual amount of the Annual Incentive Bonus with respect to the 2017 calendar year, and any subsequent calendar years, will be determined by the Company based on Executive's and the Company's fulfillment of performance goals established by the Company with respect to the applicable calendar year. The Annual Incentive Bonus for any calendar year will (if and to the extent earned) be paid no later than the March 15th following the completion of such calendar year. Except as provided in Section 5.2, Executive must remain continuously employed with the Company through the payment date of the Annual Incentive Bonus in order to receive such Annual Incentive Bonus.

3.3 Long-Term Incentive Awards.

(a) *Sign-On Equity Awards*. On or before June 30, 2017, Executive will receive long-term incentive compensation awards (the "***Sign-On Equity Awards***") under the Berry Petroleum Corporation 2017 Omnibus Incentive Plan (the "***Equity Plan***"). The Sign-On Equity Awards will have an aggregate grant date target value of two million seven hundred thousand dollars ($2,700,000). It is contemplated that the terms and conditions of the Sign-On Equity Awards (including, without limitation, the form of award(s), vesting schedule, performance objectives, restrictive provisions, etc.) will be substantially similar to the terms and conditions applicable to the sign-on equity awards granted to the CEO. The Sign-On Equity Awards will be subject to the Equity Plan and will be memorialized in (and subject to the terms of) written award agreements approved by the Board of Directors of Berry Petroleum (including any committee thereof, the "***Board***").

(b) After March 1, 2020, and subject Executive's continuing employment under the terms of this Agreement at that time, Executive will be eligible to receive annual equity awards ("***Annual Equity Awards***"). The actual grant date target value of any such Annual Equity Awards will be determined in the discretion of the Board after taking into account the Company's and Executive's performance and other relevant factors, but it is contemplated that such Annual Equity Awards will have an aggregate grant date target value equal to his Base Salary for the calendar year of grant, subject to the Board's evaluation of Executive's performance and then current market compensatory levels and practices. It is further contemplated that the terms and conditions of the Annual Equity Awards (including, without limitation, the form of award(s), vesting schedule, performance objectives, restrictive provisions, etc.) will be the same as such terms and conditions applicable to the annual long-term incentive awards granted to other senior executive officers of the Company at the time of such grants. The Annual Equity Awards will be subject to the Equity Plan and will be memorialized in (and subject to the terms of) written award agreements approved by the Board.

4. Expenses and Other Benefits.

4.1 Reimbursement of Expenses. Executive will be entitled to receive prompt reimbursement for all reasonable expenses, including all reasonable travel expenses, incurred by him during the Term (in accordance with the policies and practices as may be established by the Company from time to time) in performing services under this Agreement, *provided that* Executive properly accounts for such expenses in accordance with the Company's policies as in effect from time to time.

4.2 Vacation. Executive will be entitled to paid vacation time each year during the Term that will accrue in accordance with the Company's policies and procedures now in force or as such policies and procedures may be modified with respect to all senior executive officers of the Company.

4.3 Other Employee Benefits. In addition to the foregoing, during the Term, Executive will be entitled to participate in and to receive benefits as a senior executive under all of the Company's employee benefit plans, programs and arrangements generally available to senior executives, subject to the eligibility criteria and other terms and conditions thereof, as such plans, programs and arrangements may be duly amended, terminated, approved or adopted by the Board from time to time.

5. Compensation Upon Termination.

5.1 Termination Generally. If Executive's employment hereunder terminates for any reason other than as described in Section 5.2 below, then all compensation and all benefits to Executive hereunder will terminate contemporaneously with such termination of employment, except that Executive will be entitled to (a) payment of all accrued and unpaid Base Salary to the Termination Date, (b) reimbursement for all incurred but unreimbursed expenses for which Executive is entitled to reimbursement in accordance with Section 4.1, (c) benefits to which Executive is entitled under the terms of any applicable benefit plan or program of the Company or an affiliate (such amounts set forth in (a), (b), and (c) are collectively referred to herein as the "***Accrued Rights***").

5.2 Termination by the Company without Cause or by Executive for Good Reason. If the Company terminates Executive's employment without Cause (as defined in Section 8.1) or Executive terminates his employment with the Company for Good Reason (as defined in Section 8.3), then all compensation and all benefits to Executive hereunder will terminate contemporaneously with such termination of employment, except that Executive will be entitled to receive the Accrued Rights and the additional compensation set forth in Sections 5.2(a) through (d), below (such additional compensation, the "***Severance***").

(a) *Unpaid Prior Year Annual Incentive Bonus*. The Company will pay Executive any earned but unpaid Annual Incentive Bonus for the calendar year ending prior to the Termination Date, which amount will be payable in a lump-sum on or before the date such annual bonuses are paid to Executives who have continued employment with the Company (but in no event earlier than sixty (60) days following the Date of Termination nor later than March 15th of the year following the calendar year ending prior to the Termination Date).

(b) *Prorated Current Year Annual Incentive Bonus*. The Company will pay Executive a bonus for the calendar year in which the Termination Date occurs in an amount equal to the Annual Incentive Bonus for such year as determined by the Company in accordance with the criteria established pursuant to Section 3.2 and based on the Company's actual performance for such year, which amount will be prorated through and including the Termination Date (based on the ratio of the number of days Executive was employed by the Company during such year to the number of days in such year), payable in a lump-sum on or before the date such annual bonuses are paid to Executives who have continued employment with the Company (but in no event earlier than 60 days after the Termination Date nor later than March 15th of the year following the calendar year ending prior to the Termination Date).

(c) *Salary Continuation Payments*. Executive will be entitled to receive an amount equal to one (1) times (the "***Severance Multiplier***") the sum of (i) Executive's Base Salary for the year in which the Termination Date occurs and (ii) the greater of (A) the Annual Incentive Bonus received by Executive for the immediately preceding calendar year or (B) Executive's Target Bonus Amount for the year in which such termination occurs. Such amount shall be paid by the Company to Executive in twelve (12) substantially equal monthly installments beginning on or promptly following the sixtieth (60^{th}) day following the Termination Date (the "***Payment Date***"), *provided, however,* that if such sixty (60) day period begins in one taxable year and ends in a second taxable year, the Payment Date will occur in the second taxable year. Notwithstanding the foregoing, in the event that Executive's Termination Date occurs during the six (6) month period that begins immediately prior to a Sale of Berry Petroleum (the "***Change in Control Period***"), the Severance Multiplier shall be "two (2) times".

(d) *COBRA Reimbursement*. If Executive timely and properly elects continuation coverage under the Consolidated Omnibus Reconciliation Act of 1985 ("***COBRA***"), the Company shall reimburse Executive for the monthly COBRA premium paid by Executive for himself and his dependents. Any such reimbursement for the period prior to the Payment Date shall be paid to Executive in a lump sum on the Payment Date and any reimbursement for any month (or portion thereof) on and after the Payment Date shall be paid to Executive on the tenth (10th) day of the month immediately following the month in which Executive timely remits the premium payment. Executive shall be eligible to receive such reimbursement until the earliest of: (i) the eighteen (18) month anniversary of the Termination Date; (ii) the date Executive is no longer eligible to receive COBRA continuation coverage; and (iii) the date on which Executive becomes eligible to receive substantially similar coverage from another employer. Notwithstanding the foregoing, if the Company's making payments under this Section 5.2(d) would violate the nondiscrimination rules applicable to non-grandfathered group health plans, or result in the imposition of penalties under the Patient Protection and Affordable Care Act of 2010 and the related regulations and guidance promulgated thereunder ("***PPACA***"), the parties agree to reform this Section 5.2(d) in a manner as is necessary to comply with PPACA.

5.3 Release Requirement; Continuing Obligations. Any obligation of the Company to pay an amount set forth in Section 5.2(a), (b), (c), or (d) is conditioned upon Executive timely signing and returning to the Company (and not revoking) a release of claims in favor of the Company, its affiliates and their respective officers and directors in a form substantially similar to that attached as Exhibit A to this Agreement (the "***Release***"), and on Executive's continued compliance with his obligations to the Company and its affiliates that survive termination of his employment, including, without limitation, continuing obligations under Section 6. The Release must be signed and become irrevocable on or before the date that is 52 days after the Termination Date. If Executive does not sign (and not revoke) the Release within such 52-day period, Executive shall not be paid any amount set forth in Section 5.2(a), (b), (c), or (d).

For avoidance of doubt, the following termination events will not be deemed to be a termination "without Cause": (a) Executive's death; (b) Executive's termination of employment on account of Executive's Disability (as defined in Section 8.2); (c) the transfer of Executive's employment to another member of the Company Group, *provided* such member assumes and agrees to be bound by this Agreement; or (d) the transfer of Executive's employment to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all of the business or assets of the Company, *provided* such successor or assign assumes and agrees to be bound by this Agreement.

5.4 Non-Duplication of Severance Benefits. In no event will Executive be entitled to any payments in the nature of severance or termination payments except as specifically provided in this Section 5.

6. Indemnification. If Executive is made a party or threatened to be made a party to any action, suit, or proceeding, whether civil, criminal, administrative, or investigative (a "***Proceeding***"), other than any Proceeding initiated by Executive, Berry Petroleum, or the Company related to any contest or dispute between Executive and Berry Petroleum or the Company or any of their subsidiaries or affiliates with respect to this Agreement or Executive's employment hereunder, by reason of the fact that Executive is or was a director or officer of Berry Petroleum or the Company, or any subsidiary or affiliate of Berry Petroleum or the Company, or is or was serving at the request of Berry Petroleum or the Company as a director, officer, member, employee, or agent of another corporation or a partnership, joint venture, trust,

or other enterprise, Executive will be indemnified and held harmless by Berry Petroleum and the Company to the maximum extent permitted under applicable law and, as applicable, Berry Petroleum's or the Company's organizational documents, from and against any liabilities, costs, claims, and expenses, including all costs and expenses incurred in defense of any Proceeding (including reasonable attorneys' fees).

7. Restrictive Covenants.

7.1 Confidential Information.

(a) *Confidentiality*. Executive hereby acknowledges that in connection with his employment by the Company, he will be exposed to and may obtain certain Confidential Information (as defined below) (including, without limitation, procedures, memoranda, notes, records and customer and supplier lists whether such information has been or is made, developed or compiled by Executive or otherwise has been or is made available to him) regarding the business and operations of the Company and its subsidiaries and affiliates (collectively, the "***Company Group***"). Executive further acknowledges that such Confidential Information is unique, valuable, considered trade secrets and deemed proprietary by the Company Group. For purposes of this Agreement, "***Confidential Information***" includes, without limitation, any information heretofore or hereafter acquired, developed or used by any member of the Company Group relating to Business Opportunities (defined below) or Intellectual Property (defined below) or other geological, geophysical, economic, financial or management aspects of the business, operations, properties or prospects of the members of the Company Group, whether oral or in written form. Executive agrees that all Confidential Information is and will remain the property of the Company Group. Executive further agrees, except for disclosures occurring in the good faith performance of his duties for the Company, Executive will, for the duration of the Term, hold in the strictest confidence all Confidential Information, and will not, during the Term and for a period of five years after the Termination Date, directly or indirectly, duplicate, sell, use, lease, commercialize, disclose or otherwise divulge to any person or entity any portion of the Confidential Information or use any Confidential Information, directly or indirectly, for his own benefit or profit or allow any person, entity or third party, other than the Company or other member of the Company Group and authorized Executives of the same, to use or otherwise gain access to any Confidential Information. Executive will have no obligation under this Agreement with respect to any information that becomes generally available to the public other than as a result of a disclosure by Executive or his agent or other representative or becomes available to Executive on a non-confidential basis from a source other than a member of the Company Group. Further, Executive will have no obligation under this Agreement to keep confidential any of the Confidential Information to the extent that a disclosure of it is required by law or is consented to by the Company; *provided, however,* that if and when such a disclosure is required by law, Executive promptly will provide the Company with notice of such requirement, so that the Company may seek an appropriate protective order.

(b) *SEC Provisions*. Executive understands that nothing contained in this Agreement limits Executive's ability to file a charge or complaint with the Securities and Exchange Commission ("***SEC***"). Executive further understands that this Agreement does not limit Executive's ability to communicate with the SEC or otherwise participate in any investigation or proceeding that may be conducted by the SEC, including providing documents or other information, without notice to the Company. This Agreement does not limit Executive's right to receive an award for information provided to the SEC. This Section 7.1(b) applies only for the period of time that the Company is subject to the Dodd-Frank Act.

(c) *Trade Secrets*. The parties specifically acknowledge that 18 U.S.C. § 1833(b) provides: "An individual will not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(i) is made—(A) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, notwithstanding anything to the contrary in the foregoing, the parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law.

7.2 Return of Property. Executive agrees to deliver promptly to the Company, upon termination of his employment hereunder, or at any other time when the Company so requests, all documents in his possession relating to the business of the Company Group, including without limitation: all geological and geophysical reports and related data such as maps, charts, logs, seismographs, seismic records and other reports and related data, calculations, summaries, memoranda and opinions relating to the foregoing, production records, electric logs, core data, pressure data, lease files, well files and records, land files, abstracts, title opinions, title or curative matters, contract files, notes, records, drawings, manuals, correspondence, financial and accounting information, customer lists, statistical data and compilations, patents, copyrights, trademarks, trade names, inventions, formulae, methods, processes, agreements, contracts, manuals or any documents relating to the business of the Company Group and all copies thereof and therefrom; *provided, however*, that Executive will be permitted to retain copies of any documents or materials of a personal nature or otherwise related to Executive's rights under this Agreement, copies of this Agreement and any attendant or ancillary documents specifically including any documents referenced in this Agreement and copies of any documents related to Executive's equity-based incentive awards and other compensation.

7.3 Non-Compete Obligations.

(a) *Non-Compete Obligations During the Term.* Executive agrees that, during the Employment Term:

(i) Executive will not, other than through the Company or Berry Petroleum, engage or participate in any manner, whether directly or indirectly as an employee, employer, consultant, agent, principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor or in any other individual or representative capacity, in any business or activity which is engaged in direct competition anywhere in the United States with the Company, Berry Petroleum, or any of their direct or indirect subsidiaries, in each case in the leasing, acquiring, exploring, producing, gathering or marketing of hydrocarbons and related products; and

(ii) Executive will not (directly or indirectly through any family members or other persons) invest or otherwise participate alongside the Company, Berry Petroleum, or their direct or indirect subsidiaries, in any Business Opportunity (defined below).

Notwithstanding the foregoing, nothing in this Section 7.3(a) will be deemed to prohibit Executive from owning, or otherwise having an interest in, less than 1% of any publicly owned entity or 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 Executive has no active role with respect to any investment by such fund in any entity.

(b) *Non-Compete Obligations After Termination Date.* Executive agrees that some restrictions on Executive's activities after Executive's employment are necessary to protect the goodwill, Confidential Information, and other legitimate interests of the Company, Berry Petroleum, and their direct and indirect subsidiaries. The Company has and following the Effective Date the Company will provide Executive with access to and knowledge of Confidential Information and trade secrets and will place Executive in a position of trust and confidence with the Company, and Executive will benefit from the Company's goodwill. The restrictive covenants below are necessary to protect the Company's and Berry Petroleum's legitimate business interests in their Confidential Information, trade secrets and goodwill. Executive further understands and acknowledges that the Company's and Berry Petroleum's ability to reserve these for the exclusive knowledge and use of the Company and Berry Petroleum is of great competitive importance and commercial value to the Company and Berry Petroleum and that the Company and Berry Petroleum would be irreparably harmed if Executive violates the restrictive covenants below. In recognition of the consideration provided to Executive as well as the imparting to Executive of Confidential Information, including trade secrets, and for other good and valuable consideration, Executive hereby agrees that Executive will not, during the Restricted Period, engage or participate in any manner, whether directly or indirectly as an employee, employer, consultant, agent principal, partner, more than 1% shareholder, officer, director, licensor, lender, lessor, or in any other individual or representative capacity, in any business or activity which is in direct competition with the Company, Berry Petroleum, or their direct or indirect subsidiaries, in each case in the leasing, acquiring, exploring, producing, gathering or marketing of hydrocarbons and related products within the boundaries of, or within a ten-mile radius of the boundaries of, any mineral property interest of any of the Company, Berry Petroleum, or their direct or indirect subsidiaries (including, without limitation, a mineral lease, overriding royalty interest, production payment, net profits interest, mineral fee interest or option or right to acquire any of the foregoing, or an area of mutual interest as designated pursuant to contractual agreements between the Company or any direct or indirect subsidiary, and any third party) or any other property on which any of the Company, Berry Petroleum, or their direct or indirect subsidiaries has an option, right, license or authority to conduct or direct exploratory activities, such as three-dimensional seismic acquisition or other seismic, geophysical and geochemical activities (but not including any preliminary geological mapping), as of the Termination Date or as of the end of the six-month period following such Termination Date; *provided*, *that*, this Section 7.3(b) will not preclude Executive from making investments in securities of oil and gas companies which are registered on a national stock exchange, if the aggregate amount owned by Executive and all family members and affiliates does not exceed 3% of such company's outstanding securities.

(c) *Certain Personal Investments*. The parties hereto acknowledge and agree that Executive's ownership interest in or other involvement with Bazeon Corp. shall not violate this Section 7.3 unless Executive directly or indirectly informs Bazeon Corp. of, or directs Bazeon Corp. to invest or participate in, a Business Opportunity without the prior written consent of the Board following Executive's full disclosure to the Board of such Business Opportunity.

7.4 Non-Solicitation. During the Term and for the Restricted Period, Executive agrees and covenants that he will not, whether for his own account or for the account of any other person (other than a member of the Company Group), intentionally (a) solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment or service of any Executive or other service provider of the Company Group (including any independent sales representatives), or (b) solicit, contact (including but not limited to e-mail, regular mail, express mail, telephone, fax, and instant message), attempt to contact, or meet with the Company's current, former or prospective clients, vendors or customers for purposes of offering or accepting goods or services similar to or competitive with those offered by the Company Group.

7.5 Assignment of Developments. Executive assigns and agrees to assign without further compensation to the Company and its successors, assigns or designees, all of Executive's right, title and interest in and to all Business Opportunities and Intellectual Property (as those terms are defined below), and further acknowledges and agrees that all Business Opportunities and Intellectual Property constitute the exclusive property of the Company.

For purposes of this Agreement, "***Business Opportunities***" means 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 Executive during the Term, or originated by any third party (other than Bazeon Corp.) and brought to the attention of Executive during the Term, 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).

For purposes of this Agreement, "***Intellectual Property***" will mean all ideas, inventions, discoveries, processes, designs, methods, substances, articles, computer programs and improvements (including, without limitation, enhancements to, or further interpretation or processing of, information that was in the possession of Executive prior to the date of this Agreement), whether or not patentable or copyrightable, which do not fall within the definition of Business Opportunities, which Executive discovers, conceives, invents, creates or develops, alone or with others, during the Term, if such discovery, conception, invention, creation or development (a) occurs in the course of Executive's employment with the Company, or (b) occurs with the use of any of the time, materials or facilities of the Company or its direct or indirect subsidiaries, or (c) in the good faith judgment of the CEO, relates or pertains in any material way to the purposes, activities or affairs of the Company Group.

7.6 Injunctive Relief. Executive acknowledges that a breach of any of the covenants contained in this Section 7 may result in material, irreparable injury to the Company for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat of breach, the Company will be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining Executive from engaging in activities prohibited by this Section 7 or such other relief as may be required to specifically enforce any of the covenants in this Section 7.

7.7 Adjustment of Covenants. The parties consider the covenants and restrictions contained in this Section 7 to be reasonable. However, if and when any such covenant or restriction is found to be void or unenforceable and would have been valid had some part of it been deleted or had its scope of application been modified, such covenant or restriction will be deemed to have been applied with such modification as would be necessary and consistent with the intent of the parties to have made it valid, enforceable and effective.

7.8 Forfeiture Provision. If Executive engages in any activity that violates any covenant or restriction contained in this Section 7, in addition to any other remedy the Company may have at law or in equity, (a) Executive will be entitled to no further payments or benefits from the Company under this Agreement or otherwise, except for any payments or benefits required to be made or provided under applicable law, and (b) all forms of long-term incentive compensation (whether cash or equity-based) held by or credited to Executive will terminate effective as of the date on which Executive engages in that activity, unless terminated sooner by operation of another term or condition of this Agreement or other applicable plans and agreements.

8. Definition of Terms. The following terms referred to in this Agreement will have the following meanings:

8.1 "***Cause***" means any of the following: (a) Executive's repeated failure to fulfill substantially his material obligations with respect to his employment (which failure, if able to be cured, remains uncured or continues or recurs thirty (30) days after written notice from the CEO or the Board); (b) Executive's conviction of or plea of guilty or *nolo contendere* to a felony or to a crime involving moral turpitude resulting in material financial or reputational harm to the Company, Berry Petroleum, or any of their subsidiaries or affiliates; (iii) Executive's engaging in conduct that constitutes gross negligence or gross misconduct in carrying out his duties with respect to his employment hereunder; (iv) a material violation by Executive of any non-competition or non-solicitation provision, or of any confidentiality provision, contained in this Agreement or any agreement between Executive and the Company, Berry Petroleum, or any of their subsidiaries or affiliates; (v) any act by Executive involving dishonesty relating to the business of the Company, Berry Petroleum, or any of their subsidiaries or affiliates that adversely and materially affects the business of the Company, Berry Petroleum, or any of their subsidiaries or affiliates; or (vi) a material breach by Executive of the Company's written Code of Conduct or any other material written policy or regulation of the Company, Berry Petroleum, or any of their subsidiaries or affiliates governing the conduct of its employees or contractors (which breach, if able to be cured, remains uncured or continues or recurs 30 days after written notice from the CEO or the Board).

8.2 "***Disability***" means Executive is unable to perform the essential functions of the position, even with reasonable accommodation, for four (4) months in any twelve (12) month period and there is no vacant position to which Executive could be transferred for which Executive is qualified.

8.3 "***Good Reason***" means the occurrence of any of the following, in each case during the Term without Executive's written consent: (a) a material reduction in Executive's Base Salary; (b) a permanent relocation of Executive's principal place of employment by more than thirty (30) miles from the location in effective immediately prior to such relocation; (c) any material breach by the Company of any material provision of this Agreement; (d) the Company's failure to obtain an agreement from any successor to the Company to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no succession had taken place, except where such assumption occurs by operation of law; or (d) a material diminution in the nature or scope of the Executive's authority or responsibilities from those applicable to Executive as of the Effective Date (or as modified thereafter consistent with this Agreement). Executive cannot terminate his employment for "Good Reason" unless he has provided written notice to the Company of the existence of the circumstances providing grounds for termination for Good Reason within ninety (90) days of the initial existence of such grounds and the Company has had at least thirty (30) days from the date on which such notice is provided to cure such circumstances. If Executive does not deliver a notice of termination for "Good Reason" within thirty (30) days after such cure period, then Executive will be deemed to have waived his right to terminate for "Good Reason."

8.4 "***Restricted Period***" means (a) in the case of Executive's termination by the Company without Cause during a Change in Control Period or by Executive for Good Reason during a Change in Control Period, the twenty-four (24) month period beginning on the Termination Date and (b) in all other cases, the eighteen (18) month period beginning on the Termination Date.

8.5 "***Sale of Berry Petroleum***" means the first to occur of:

(a) The acquisition by 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 (the "***Exchange Act***")) (a "***Person***") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either (i) the then-outstanding equity interests of Berry Petroleum (the "***Outstanding Company Equity***") or (ii) the combined voting power of the then-outstanding voting securities of Berry Petroleum entitled to vote generally in the election of directors (the "***Outstanding Company Voting Securities***"); *provided*, *however*, that, for purposes of this Section 8.5, the following acquisitions will not constitute a Sale of Berry Petroleum: (A) any acquisition directly from Berry Petroleum (including, for avoidance of doubt, a public offering of Berry Petroleum stock), (B) any acquisition by Berry Petroleum, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliated company, or (4) any acquisition by any corporation or other entity pursuant to a transaction that complies with Section 8.2(c)(iii)(A), Section 8.2(c)(ii)(B), or Section 8.2(c)(iii)(C);

(b) Any time at which individuals who, as of the date hereof, constitute the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the Board; *provided*, *however,* that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by Berry Petroleum's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board will be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Incumbent Board; or

(c) Consummation of (i) a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving Berry Petroleum or any of its subsidiaries, (ii) a sale or other disposition of assets of Berry Petroleum that have a total gross fair market value (*i.e.*, determined without regard to any liabilities associated with such assets) equal to or more than 75% of the total gross fair market value of all of the assets of Berry Petroleum immediately prior to such sale or other disposition, or (iii) the acquisition of assets or equity interests of another entity by Berry Petroleum or any of its subsidiaries (each, a "***Business Combination***"), in each case unless, following such Business Combination, (A) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Equity and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding equity interests and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation or other entity that, as a result of such transaction, owns Berry Petroleum or all or substantially all of Berry Petroleum's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Equity and the Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of Berry Petroleum or such corporation or other entity resulting from such Business Combination) beneficially owns, directly or indirectly, 50% or more of, respectively, the then-outstanding equity interests of the

corporation or other entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation or other entity, except to the extent that such ownership existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors of the corporation or equivalent body of any other entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination.

9. Miscellaneous.

9.1 No Conflicting Agreements. Executive hereby represents and warrants that the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which Executive is a party or is bound, and that Executive is not now subject to any covenants against competition or similar covenants or any other obligations to any person or to any court order, judgment or decree that would affect the performance of his obligations hereunder. Executive will not disclose to or use on behalf of the Company any proprietary information of a third-party without such party's consent.

9.2 Assignment; Successors; Binding Agreement. This Agreement is personal to Executive and may not be assigned by Executive, whether by operation of law or otherwise, without the prior written consent of the Company. The Company may assign this Agreement to any member of the Company Group or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation, or otherwise) to all or substantially all of the business or assets of the Company. This Agreement shall inure to the benefit of the Company and its permitted successors and assigns.

9.3 Modification and Waiver. Except as otherwise provided below, no provision of this Agreement may be modified, waived, or discharged unless such waiver, modification or discharge is agreed to in writing by Executive and the Company. No waiver by any party of any breach by any other party of, or of compliance with, any term or condition of this Agreement to be performed by any other party, at any time, will constitute a waiver of similar or dissimilar terms or conditions at that time or at any prior or subsequent time.

9.4 Entire Agreement. This Agreement, together with any attendant or ancillary documents, specifically including, but not limited to (a) all documents referenced in this Agreement and (b) the written policies and procedures of the Company, embodies the entire understanding of the parties hereto, and supersedes all other oral or written agreements or understandings between them regarding the subject matter hereof. No agreement or representation, oral or otherwise, express or implied, with respect to the subject matter of this Agreement, has been made by either party which is not set forth expressly in this Agreement or the other documents referenced in this Section 9.4.

9.5 Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of California other than the conflict of laws provision thereof.

9.6 Consent to Jurisdiction; Service of Process; Waiver of Jury Trial. In the event of any dispute, controversy or claim between the Company and Executive arising out of or relating to the interpretation, application or enforcement of the provisions of this Agreement, the Company and Executive agree and consent to the personal jurisdiction of the state and local courts of Kern County, California and/or the United States District Court for the Eastern District of California for resolution of the dispute, controversy or claim, and that those courts, and only those courts, will have any jurisdiction to determine any dispute, controversy or claim related to, arising under or in connection with this Agreement. The Company and Executive also agree that those courts are convenient forums for the

parties to any such dispute, controversy or claim and for any potential witnesses and that process issued out of any such court or in accordance with the rules of practice of that court may be served by mail or other forms of substituted service to the Company at the address of their principal Executive offices and to Executive at his last known address as reflected in the Company's records.

9.7 Withholding of Taxes. The Company will withhold from any amounts payable under the Agreement all federal, state, local or other taxes as legally will be required to be withheld.

9.8 Survival. Provisions of this Agreement will survive any termination of Executive's employment if so provided or if necessary or desirable to fully accomplish the purposes of the other surviving provisions, including without limitation Sections 5, 7 and 8.

9.9 Notices. All notices, consents, waivers, and other communications under this Agreement must be in writing and be delivered personally or sent by registered or certified mail, return receipt requested, or by overnight carrier to the parties at the addresses set forth below (or such other addresses as specified by the parties by like notice):

To the Company:

Berry Petroleum Company, LLC
Attn: General Counsel
5201 Truxtun Avenue, Suite 100
Bakersfield, CA 93309-0640

To Berry Petroleum:

Berry Petroleum Corporation
Attn: General Counsel
5201 Truxtun Avenue, Suite 100
Bakersfield, CA 93309-0640

To Executive:

At the address reflected in the Company's written records.

9.10 Severability. The invalidity or unenforceability of any provision or provisions of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect.

9.11 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument.

9.12 Headings. The headings used in this Agreement are for convenience only, do not constitute a part of the Agreement, and will not be deemed to limit, characterize, or affect in any way the provisions of the Agreement, and all provisions of the Agreement will be construed as if no headings had been used in the Agreement.

9.13 Construction. As used in this Agreement, unless the context otherwise requires: (a) the terms defined herein will have the meanings set forth herein for all purposes; (b) references to "Section" are to a section hereof; (c) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of like import; (d) "writing," "written" and comparable terms refer to printing, typing, lithography and other means of reproducing words in a visible form; (e) "hereof," "herein," "hereunder" and comparable terms refer to the entirety of this Agreement and not to any particular section or other subdivision hereof or attachment hereto; (f) references to any gender include references to all genders; and (g) references to any agreement or other instrument or statute or regulation are referred to as amended or supplemented from time to time (and, in the case of a statute or regulation, to any successor provision).

9.14 Capacity; No Conflicts. Executive represents and warrants to the Company that: (a) he has full power, authority and capacity to execute and deliver this Agreement, and to perform his obligations hereunder, (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time, or both, would not) result in the breach of any agreement or other obligation to which he is a party or is otherwise bound, and (c) this Agreement is his valid and binding obligation, enforceable in accordance with its terms.

9.15 Sections 280G and 409A of the Code. Notwithstanding anything in this Agreement to the contrary:

(a) If any of the payments or benefits received or to be received by Executive (including, without limitation, any payment or benefits received in connection with a Sale of Berry Petroleum or Executive's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the "***280G Payments***") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this Section 9.15(a), be subject to the excise tax imposed under Section 4999 of the Code (the "***Excise Tax***"), then prior to making the 280G Payments, a calculation will be made comparing (i) the Net Benefit (as defined below) to Executive of the 280G Payments after payment of the Excise Tax to (ii) the Net Benefit to Executive if the 280G Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount under (ii) above will the 280G Payments be reduced to the minimum extent necessary to ensure that no portion of the 280G Payments is subject to the Excise Tax. "***Net Benefit***" will mean the present value of the 280G Payments net of all federal, state, local, foreign income, employment, and excise taxes. Any reduction made pursuant to this Section 9.15(a) will be made in a manner determined by the Company that is consistent with the requirements of Section 409A of the Code and that maximizes Executive's economic position and after-tax income; for the avoidance of doubt, Executive will not have any discretion in determining the manner in which the payments and benefits are reduced.

(b) If any benefits payable or otherwise provided under this Agreement would be deemed to constitute non-qualified deferred compensation subject to Section 409A of the Code, the Company will have the discretion to adjust the terms of such payment or benefit (but not the amount or value thereof) as reasonably necessary to comply with the requirements of Section 409A of the Code to avoid the imposition of any excise tax or other penalty with respect to such payment or benefit under Section 409A of the Code.

(c) Any expense reimbursement payable to Executive under the terms of this Agreement will be paid on or before March 15 of the calendar year following the calendar year in which such reimbursable expense was incurred. The amount of such reimbursements that the Company is obligated to pay in any given calendar year will not affect the amount the Company is obligated to pay in any other calendar year. In addition, Executive may not liquidate or exchange the right to reimbursement of such expenses for any other benefits.

(d) Notwithstanding anything in this Agreement to the contrary, in the event that Executive is a "specified employee" (as determined under Section 409A of the Code) at the time of the separation from service triggering the payment or provision of benefits, any payment or benefit under this Agreement which is determined to provide for a deferral of compensation pursuant to Section 409A of the Code will not commence being paid or made available to Executive until after six months from the Termination Date that constitutes a separation from service within the meaning of Section 409A of the Code.

[Signature page follows]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first written above.

BERRY PETROLEUM COMPANY, LLC

By: **BERRY PETROLEUM CORPORATION, its sole member**

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: President and Chief Executive Officer

EXECUTIVE

/s/ Gary A. Grove
Gary A. Grove

For the limited purposes set forth herein:

BERRY PETROLEUM CORPORATION

By: /s/ Arthur T. Smith
Name: Arthur T. Smith
Title: President and Chief Executive Officer

[Signature page to Executive Employment Agreement]

Exhibit A

Form of Release and Waiver of Claims Agreement

This Release and Waiver of Claims Agreement ("**Release**") is entered into by and between Berry Petroleum Company, LLC, a Delaware limited liability company (the "**Employer**"), on behalf of itself, its subsidiaries and other corporate affiliates and each of their respective executives, officers, directors, owners, shareholders and agents (collectively referred to herein as the "**Employer Group**"), and Gary A. Grove ("**Executive**") (the Employer and the Executive are collectively referred to herein as the "**Parties**") as of [ ] (the "**Execution Date**").

1. Release.

(a) General Release and Waiver of Claims. In exchange for the consideration provided in this Release, the Executive and his/her heirs, executors, representatives, agents, insurers, administrators, successors and assigns (collectively the "**Releasors**") irrevocably and unconditionally fully and forever waive, release and discharge the Employer Group, including each member of the Employer Group's parents, subsidiaries, affiliates, predecessors, successors and assigns, and all of their respective officers, directors, employees, shareholders, and partners, in their corporate and individual capacities (collectively, the "**Releasees**") from any and all claims, demands, actions, causes of actions, obligations, judgments, rights, fees, damages, debts, obligations, liabilities and expenses (inclusive of attorneys' fees) of any kind whatsoever (collectively, "**Claims**"), whether known or unknown, from the beginning of time to the date of the Executive's execution of this Release, including, without limitation, any Claims under any federal, state, local or foreign law, that Releasors may have, have ever had or may in the future have arising out of, or in any way related to the Executive's hire, benefits, employment, termination or separation from employment with the Employer Group and any actual or alleged act, omission, transaction, practice, conduct, occurrence or other matter, including, but not limited to (i) any and all claims under Title VII of the Civil Rights Act, as amended, the Americans with Disabilities Act, as amended, the Family and Medical Leave Act, as amended, the Fair Labor Standards Act, the Equal Pay Act, as amended, the Executive Retirement Income Security Act, as amended (with respect to unvested benefits), the Civil Rights Act of 1991, as amended, Section 1981 of U.S.C. Title 42, the Sarbanes-Oxley Act of 2002, as amended, the Worker Adjustment and Retraining Notification Act, as amended, the National Labor Relations Act, as amended, the Age Discrimination in Employment Act, as amended, the Genetic Information Nondiscrimination Act of 2008, and/or any other Federal, state, local or foreign law (statutory, regulatory or otherwise) that may be legally waived and released; and (ii) any tort, contract and/or quasi-contract law, including but not limited to claims of wrongful discharge, defamation, emotional distress, tortious interference with contract, invasion of privacy, nonphysical injury, personal injury or sickness or any other harm. However, this general release of claims excludes, and the Executive does not waive, release or discharge (i) any right to file an administrative charge or complaint with the Equal Employment Opportunity Commission or other administrative agency; (ii) claims under state workers' compensation or unemployment laws; (iii) indemnification rights the Executive has against the Employer, (iv) claims under the Executive Employment Agreement between the Executive and the Employer dated June , 2017, and/or (v) any other claims that cannot be waived by law.

(b) Specific Release of ADEA Claims. In further consideration of the payments and benefits provided to the Executive in this Release, the Releasors hereby irrevocably and unconditionally fully and forever waive, release and discharge the Releasees from any and all Claims, whether known or unknown, from the beginning of time to the date of the Executive's execution of this Release arising under the Age Discrimination in Employment Act ("***ADEA***"), as amended, and its implementing regulations. By signing this Release, the Executive hereby acknowledges and confirms that: (i) the Executive has read this Release in its entirety and understands all of its terms; (ii) the Executive has been advised of and has availed him/herself of his/her right to consult with his/her attorney prior to executing this Release; (iii) the Executive knowingly, freely and voluntarily assents to all of the terms and conditions set out in this

Release including, without limitation, the waiver, release and covenants contained herein; (iv) the Executive is executing this Release, including the waiver and release, in exchange for good and valuable consideration in addition to anything of value to which he is otherwise entitled; (v) the Executive was given at least [twenty-one (21)/forty-five (45)] days to consider the terms of this Release and consult with an attorney of his/her choice, although he may sign it sooner if desired; (vi) the Executive understands that he has seven (7) days from the date he signs this Release to revoke the release in this paragraph by delivering notice of revocation to [NAME] at the Employer, [EMPLOYER ADDRESS] by e-mail/fax/overnight delivery before the end of such seven-day period; and (vii) the Executive understands that the release contained in this paragraph does not apply to rights and claims that may arise after the date on which the Executive signs this Release.

2. Knowing and Voluntary Acknowledgement. The Executive specifically agrees and acknowledges that: (i) the Executive has read this Release in its entirety and understands all of its terms; (ii) the Executive has been advised of and has availed himself of his right to consult with his attorney prior to executing this Release; (iii) the Executive knowingly, freely and voluntarily assents to all of its terms and conditions including, without limitation, the waiver, release and covenants contained herein; (iv) the Executive is executing this Release, including the waiver and release, in exchange for good and valuable consideration in addition to anything of value to which he is otherwise entitled; (v) the Executive is not waiving or releasing rights or claims that may arise after his execution of this Release; and (vi) the Executive understands that the waiver and release in this Release is being requested in connection with the cessation of his employment with the Employer Group.

The Executive further acknowledges that he has had [twenty-one (21)/forty-five (45)] days to consider the terms of this Release and consult with an attorney of his choice, although he may sign it sooner if desired. Further, the Executive acknowledges that he shall have an additional seven (7) days from the date on which he signs this Release to revoke consent to his release of claims under the ADEA by delivering notice of revocation to [NAME] at the Employer, [EMPLOYER ADDRESS] by e-mail/fax/overnight delivery before the end of such seven-day period. In the event of such revocation by the Executive, the Employer hall have the option of treating this Release as null and void in its entirety.

This Release shall not become effective, until the eighth (8th) day after/day the Executive and the Employer execute this Release. Such date shall be the Effective Date of this Release. No payments due to the Executive hereunder shall be made or begin before the Effective Date.

3. Miscellaneous.

(a) Assignment. Employer may assign this Release to any subsidiary or corporate affiliate in the Employer Group or otherwise, or to any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Employer. This Release shall inure to the benefit of the Employer and permitted successors and assigns.

(b) Governing Law: Jurisdiction and Venue. This Release, for all purposes, shall be construed in accordance with the laws of Texas without regard to conflicts-of-law principles. Any action or proceeding by either of the Parties to enforce this Release shall be brought only in any state or federal court located in the State of Texas, County of Dallas. The Parties hereby irrevocably submit to the exclusive jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

(c) Modification and Waiver. No provision of this Release may be amended or modified unless such amendment or modification is agreed to in writing and signed by the Executive and by the Employer's Chief Executive Officer. No waiver by either of the Parties of any breach by the other party hereto of any condition or provision of this Release to be performed by the other party hereto shall be deemed a waiver of any similar or dissimilar provision or condition at the same or any prior or subsequent time, nor shall the failure of or delay by either of the Parties in exercising any right, power or privilege hereunder operate as a waiver thereof to preclude any other or further exercise thereof or the exercise of any other such right, power or privilege.

(d) Severability.

(i) Should any provision of this Release be held by a court of competent jurisdiction to be enforceable only if modified, or if any portion of this Release shall be held as unenforceable and thus stricken, such holding shall not affect the validity of the remainder of this Release, the balance of which shall continue to be binding upon the Parties with any such modification to become a part hereof and treated as though originally set forth in this Release.

(ii) The Parties further agree that any such court is expressly authorized to modify any such unenforceable provision of this Release in lieu of severing such unenforceable provision from this Release in its entirety, whether by rewriting the offending provision, deleting any or all of the offending provision, adding additional language to this Release or by making such other modifications as it deems warranted to carry out the intent and agreement of the Parties as embodied herein to the maximum extent permitted by law.

(iii) The Parties expressly agree that this Release as so modified by the court shall be binding upon and enforceable against each of them. In any event, should one or more of the provisions of this Release be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof, and if such provision or provisions are not modified as provided above, this Release shall be construed as if such invalid, illegal or unenforceable provisions had not been set forth herein.

(e) Captions. Captions and headings of the sections and paragraphs of this Release are intended solely for convenience and no provision of this Release is to be construed by reference to the caption or heading of any section or paragraph.

(f) Counterparts. This Release may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

(g) Nonadmission. Nothing in this Release shall be construed as an admission of wrongdoing or liability on the part of the Employer or any member of the Employer Group.

(h) Acknowledgment of Full Understanding. THE EXECUTIVE ACKNOWLEDGES AND AGREES THAT HE HAS FULLY READ, UNDERSTANDS AND VOLUNTARILY ENTERS INTO THIS RELEASE. THE EXECUTIVE ACKNOWLEDGES AND AGREES THAT HE HAS HAD AN OPPORTUNITY TO ASK QUESTIONS AND CONSULT WITH AN ATTORNEY OF HIS CHOICE BEFORE SIGNING THIS RELEASE. THE EXECUTIVE FURTHER ACKNOWLEDGES THAT HIS SIGNATURE BELOW IS AN AGREEMENT TO RELEASE BERRY PETROLEUM COMPANY, LLC FROM ANY AND ALL CLAIMS.

{*Signature page follows*}

IN WITNESS WHEREOF, the Parties have executed this Release as of the Execution Date above.

BERRY PETROLEUM COMPANY, LLC

By:_____
Name: [NAME OF AUTHORIZED OFFICER]
Title: [TITLE OF AUTHORIZED OFFICER]

GARY A. GROVE

Signature:_____
Print Name: _____

BERRY PETROLEUM CORPORATION

2017 OMNIBUS INCENTIVE PLAN
(As Amended and Restated Effective March 7, 2018)

ARTICLE 1
PURPOSE

The purpose of this Berry Petroleum Corporation 2017 Omnibus Incentive Plan is to enhance the profitability and value of the Company for the benefit of its stockholders by enabling the Company to offer Eligible Individuals cash and stock-based incentives in order to attract, retain and reward such individuals and strengthen the mutuality of interests between such individuals and the Company's stockholders. The Plan is effective as of the date set forth in Article 14.

ARTICLE 2
DEFINITIONS

For purposes of the Plan, the following terms shall have the following meanings:

2.1 "Affiliate" means each of the following: (a) any Subsidiary; (b) any Parent; (c) any corporation, trade or business (including, without limitation, a partnership or limited liability company) which is directly or indirectly controlled 50% or more (whether by ownership of stock, assets or an equivalent ownership interest or voting interest) by the Company or one of its Affiliates; (d) any trade or business (including, without limitation, a partnership or limited liability company) which directly or indirectly controls 50% or more (whether by ownership of stock, assets or an equivalent ownership interest or voting interest) of the Company; and (e) any other entity in which the Company or any of its Affiliates has a material equity interest and which is designated as an "Affiliate" by resolution of the Committee; provided that, unless otherwise determined by the Committee, the Common Stock subject to any Option constitutes "service recipient stock" for purposes of Section 409A of the Code or otherwise does not subject the Option to Section 409A of the Code.

2.2 "Auditor" has the meaning set forth in Section 5.4(c).

2.3 "Award" means any award under the Plan of any Stock Option, Restricted Stock Award, Performance Award, Other Stock-Based Award or Other Cash-Based Award. All Awards shall be granted by, confirmed by, and subject to the terms of, a written Award Agreement executed by the Company and the Participant.

2.4 "Award Agreement" means the written or electronic agreement setting forth the terms and conditions applicable to an Award.

2.5 "Award Shares" has the meaning set forth in Section 5.4(a).

2.6 "Board" means the Board of Directors of the Company.

2.7 "Bona Fide Agreements" has the meaning set forth in Section 5.4(c).

2.8 “Cause” means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant’s Termination of Employment or Termination of Consultancy, the following: (a) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define “cause” (or words of like import)), termination due to a Participant’s: (i) 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; (ii) intoxication by alcohol or drugs during the performance of his or her duties in violation of the Berry Petroleum Company, LLC Drug, Alcohol and Contraband Control Policy; (iii) willful and intentional misuse of any of the funds of the Company or its direct or indirect Subsidiaries; (iv) embezzlement; (v) willful and material misrepresentations or concealments on any written reports submitted to any of the Company or its direct or indirect Subsidiaries; or (vi) conduct constituting a material breach of the Company’s then current Code of Conduct, 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; provided further, 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 (x) the Board for Eligible Employees with the title of Senior Vice President and above and (y) the Committee for all other Participants; or (b) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines “cause” (or words of like import), “cause” as defined under such agreement; provided, however, that with regard to any agreement under which the definition of “cause” only applies on occurrence of a Change in Control, such definition of “cause” shall not apply until a Change in Control actually takes place and then only with regard to a termination thereafter.

2.9 “Change in Control” has the meaning set forth in Section 10.2.

2.10 “Change in Control Price” has the meaning set forth in Section 10.1.

2.11 “Code” means the Internal Revenue Code of 1986, as amended. Any reference to any section of the Code shall also be a reference to any successor provision and any Treasury Regulation and other official guidance and regulations promulgated thereunder.

2.12 “Committee” means any committee of the Board duly authorized by the Board to administer the Plan. If no committee is duly authorized by the Board to administer the Plan, the term “Committee” shall be deemed to refer to the Board for all purposes under the Plan.

2.13 “Common Stock” means the Class A common stock, $0.001 par value per share, of the Company.

2.14 “Company” means Berry Petroleum Corporation, a Delaware corporation, and its successors by operation of law.

2.15 “Consultant” means any natural person who is an advisor or consultant to the Company or its Affiliates.

2.16 “Disability” means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant’s Termination, a permanent and total disability as defined in Section 22(e)(3) of the Code. A Disability shall only be deemed to occur at the time of the determination by the Committee of the Disability. Notwithstanding the foregoing, for Awards that are subject to Section 409A of the Code, Disability shall mean that a Participant is disabled under Section 409A(a)(2)(C)(i) or (ii) of the Code.

2.17 “Dispute Notice” has the meaning set forth in Section 5.4(c).

2.18 “Effective Date” means the effective date of the Plan as defined in Article 15.

2.19 “Eligible Employees” means each employee of the Company or an Affiliate.

2.20 “Eligible Individual” means an Eligible Employee or Consultant who is designated by the Committee in its discretion as eligible to receive Awards subject to all of the terms and the conditions set forth herein.

2.21 “Exchange Act” means the Securities Exchange Act of 1934, as amended. Reference to a specific section of the Exchange Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

2.22 “Fair Market Value” means, for purposes of the Plan, as of any date: (a) with respect to any security (including the Common Stock) that is traded, listed or otherwise reported or quoted on a national securities exchange, the last sales price reported for such security on the applicable date on the principal national securities exchange in the United States on which it is then traded, listed or otherwise reported or quoted; or (b) (i) with respect to any security (including the Common Stock) that is not traded, listed or otherwise reported or quoted on a national securities exchange, or (ii) with respect to any property that is not a security, the Committee shall determine in good faith the price at which the applicable security or other property would be sold by a willing buyer to a willing seller, neither acting under compulsion, taking into account the requirements of Section 409A of the Code and any other applicable laws, rules or regulations and without applying any discounts for minority interest, illiquidity or other similar factors. For purposes of the grant of any Award, the applicable date shall be the trading day immediately prior to the date on which the Award is granted. For purposes of the exercise of any Award, the applicable date shall be the date a notice of exercise is received by the Committee or, if not a day on which the applicable market is open, the next day that it is open.

2.23 “Family Member” means “family member” as defined in Section A.1.(a)(5) of the general instructions of Form S-8 of the United States Securities and Exchange Commission.

2.24 “Good Reason” means, unless otherwise determined by the Committee in the applicable Award Agreement, the following: (a) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define “good reason” (or words of like import)), the occurrence, without the Participant’s written consent, of any of the following events: (i) a reduction in the Participant’s base salary; (ii) any material reduction in the Participant’s title, authority or responsibilities; or (iii) relocation of the Participant’s primary place of employment to a location more than fifty (50) miles from (x) the Company’s location, if the Participant is employed by the Company, or (y) the employing Affiliate’s location, if the Participant is employed by an Affiliate (with the employing entity, the “Employer”). 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 thirty (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 thirty

(30) days after receipt of such notice or if such notice is given by the Participant to the Participant's Employer more than thirty (30) days after the occurrence of the event that the Participant alleges is Good Reason for the Participant's Termination hereunder. In order for a Termination to be for Good Reason, the Employer must fail to remedy the alleged grounds for resignation within the cure period, and the Participant must actually terminate employment with the Employer within ninety (90) days after the expiration of the cure period; or (b) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines "good reason" (or words of like import), "good reason" as defined under such agreement; provided, however, that with regard to any agreement under which the definition of "good reason" only applies on occurrence of a Change in Control, such definition of "good reason" shall not apply until a Change in Control actually takes place and then only with regard to a termination thereafter.

2.25 "Incentive Stock Option" means any Stock Option awarded to an Eligible Employee of the Company, its Subsidiaries and its Parents (if any) under the Plan intended to be and designated as an "Incentive Stock Option" within the meaning of Section 422 of the Code.

2.26 "Non-Qualified Stock Option" means any Stock Option awarded under the Plan that is not an Incentive Stock Option.

2.27 "Other Cash-Based Award" means an Award granted pursuant to Section 9.3 of the Plan and payable in cash at such time or times and subject to such terms and conditions as determined by the Committee in its sole discretion.

2.28 "Other Stock-Based Award" means an Award under Article 9 of the Plan that is valued in whole or in part by reference to, or is payable in or otherwise based on, Common Stock, including, without limitation, an Award valued by reference to an Affiliate.

2.29 "Outside Director" has the meaning set forth in Section 4.4.

2.30 "Parent" means any parent corporation of the Company within the meaning of Section 424(e) of the Code.

2.31 "Participant" means an Eligible Individual to whom an Award has been granted pursuant to the Plan.

2.32 "Performance Award" means an Award granted to a Participant pursuant to Article 8 hereof contingent upon achieving certain Performance Goals.

2.33 "Performance Goals" means the performance goals established by the Committee as contingencies for Awards to vest and/or become exercisable or distributable.

2.34 "Performance Period" means the designated period during which the Performance Goals must be satisfied with respect to the Award to which the Performance Goals relate.

2.35 "Plan" means this Berry Petroleum Corporation 2017 Omnibus Incentive Plan, as amended from time to time.

2.36 "Proceeding" has the meaning set forth in Section 13.8.

2.37 “Registration Date” means the date on which (a) the Company sells shares of its Common Stock in a bona fide, firm commitment underwriting pursuant to a registration statement under the Securities Act or (b) the Common Stock is listed for traded on a national securities exchange.

2.38 “Reorganization” has the meaning set forth in Section 4.2(b)(ii).

2.39 “Repurchase Closing” has the meaning set forth in Section 5.4(b).

2.40 “Repurchase Closing Date” has the meaning set forth in Section 5.4(d).

2.41 “Repurchase Notice” has the meaning set forth in Section 5.4(b).

2.42 “Repurchase Price” has the meaning set forth in Section 5.4(a).

2.43 “Restricted Stock” means an Award of shares of Common Stock under the Plan that is subject to restrictions under Article 7.

2.44 “Restriction Period” has the meaning set forth in Section 7.3(a) with respect to Restricted Stock.

2.45 “Rule 16b-3” means Rule 16b-3 under Section 16(b) of the Exchange Act as then in effect or any successor provision.

2.46 “Section 409A of the Code” means the nonqualified deferred compensation rules under Section 409A of the Code and any applicable Treasury Regulations and other official guidance thereunder.

2.47 “Securities Act” means the Securities Act of 1933, as amended and all rules and regulations promulgated thereunder. Reference to a specific section of the Securities Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

2.48 “Stock Option” or “Option” means any option to purchase shares of Common Stock granted to Eligible Individuals granted pursuant to Article 6.

2.49 “Subsidiary” means any subsidiary corporation of the Company within the meaning of Section 424(f) of the Code.

2.50 “Ten Percent Stockholder” means a person owning stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company, its Subsidiaries or its Parent.

2.51 “Termination” means a Termination of Consultancy or Termination of Employment, as applicable.

2.52 “Termination of Consultancy” means: (a) that the Consultant is no longer acting as a consultant to the Company or any of its Affiliates; or (b) when an entity (other than the Company) which is retaining a Participant as a Consultant ceases to be an Affiliate, unless the Participant otherwise is, or thereupon becomes, a Consultant to the Company or another Affiliate at the time the entity ceases to be an Affiliate. In the event that a Consultant becomes an Eligible Employee upon the termination of such

Consultant's consultancy, unless otherwise determined by the Committee, in its sole discretion, no Termination of Consultancy shall be deemed to occur until such time as such Consultant is no longer a Consultant or an Eligible Employee. Notwithstanding the foregoing, the Committee may otherwise define Termination of Consultancy in the Award Agreement or, if no rights of a Participant are reduced, may otherwise define Termination of Consultancy thereafter, provided that any such change to the definition of the term "Termination of Consultancy" does not subject the applicable Award to Section 409A of the Code.

2.53 "Termination of Employment" means: (a) a termination of employment (for reasons other than a military or personal leave of absence granted by the Company) of a Participant from the Company and all of its Affiliates; or (b) when an entity (other than the Company) which is employing a Participant ceases to be an Affiliate, unless the Participant otherwise is, or thereupon becomes, employed by the Company or another Affiliate at the time the entity ceases to be an Affiliate. In the event that an Eligible Employee becomes a Consultant upon the termination of such Eligible Employee's employment, unless otherwise determined by the Committee, in its sole discretion, no Termination of Employment shall be deemed to occur until such time as such Eligible Employee is no longer an Eligible Employee or a Consultant. Notwithstanding the foregoing, the Committee may otherwise define Termination of Employment in the Award Agreement or, if no rights of a Participant are reduced, may otherwise define Termination of Employment thereafter, provided that any such change to the definition of the term "Termination of Employment" does not subject the applicable Award to Section 409A of the Code.

2.54 "Transfer" means: (a) when used as a noun, any direct or indirect transfer, sale, assignment, pledge, hypothecation, encumbrance or other disposition (including the issuance of equity in any entity), whether for value or no value and whether voluntary or involuntary (including by operation of law), and (b) when used as a verb, to directly or indirectly transfer, sell, assign, pledge, encumber, charge, hypothecate or otherwise dispose of (including the issuance of equity in any entity) whether for value or for no value and whether voluntarily or involuntarily (including by operation of law). "Transferred" and "Transferable" shall have correlative meanings.

ARTICLE 3
ADMINISTRATION

3.1 **The Committee**. The Plan shall be administered and interpreted by the Committee. To the extent required by applicable law, rule or regulation, it is intended that each member of the Committee shall qualify as (a) a "non-employee director" under Rule 16b-3 and (b) an "independent director" under the rules of any national securities exchange or national securities association, as applicable. If it is later determined that one or more members of the Committee do not so qualify, actions taken by the Committee prior to such determination shall be valid despite such failure to qualify.

3.2 **Grants of Awards**. The Committee shall have full authority to grant, pursuant to the terms of the Plan, to Eligible Individuals: (i) Stock Options, (ii) Restricted Stock, (iii) Performance Awards; (iv) Other Stock-Based Awards; and (v) Other Cash-Based Awards. In particular, the Committee shall have the authority:

(a) to select the Eligible Individuals to whom Awards may from time to time be granted hereunder, subject, for the avoidance of doubt, to the limitations set forth in Section 4.1;

(b) to determine whether and to what extent Awards, or any combination thereof, are to be granted hereunder to one or more Eligible Individuals, subject, for the avoidance of doubt, to the limitations set forth in Section 4.1;

(c) to determine the number of shares of Common Stock to be covered by each Award granted hereunder;

(d) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder (including, but not limited to, the exercise or purchase price (if any), any restriction or limitation, any vesting schedule or acceleration thereof, or any forfeiture restrictions or waiver thereof, regarding any Award and the shares of Common Stock relating thereto, based on such factors, if any, as the Committee shall determine, in its sole discretion);

(e) to determine the amount of cash to be covered by each Award granted hereunder;

(f) to determine whether, to what extent and under what circumstances grants of Options and other Awards under the Plan are to operate on a tandem basis and/or in conjunction with or apart from other awards made by the Company outside of the Plan;

(g) to determine whether and under what circumstances an Award may be cancelled, forfeited, exchanged or surrendered;

(h) to determine whether and under what circumstances a Stock Option may be settled in cash, Common Stock and/or Restricted Stock under Section 6.4(d);

(i) to determine whether a Stock Option is an Incentive Stock Option or Non-Qualified Stock Option;

(j) to impose a "blackout" period during which Options may not be exercised;

(k) to determine whether to require a Participant, as a condition of the granting of any Award, to not sell or otherwise dispose of shares of Common Stock acquired pursuant to the exercise of an Award for a period of time as determined by the Committee, in its sole discretion, following the date of the acquisition of such Award;

(l) to modify, extend or renew an Award, subject to Article 11 and Section 6.4(l), provided, however, that such action does not subject the Award to Section 409A of the Code without the consent of the Participant; and

(m) solely to the extent permitted by applicable law, to determine whether, to what extent and under what circumstances to provide loans (which may be on a recourse basis and shall bear interest at the rate the Committee shall provide) to Participants in order to exercise Options under the Plan.

For the sake of clarity and to the extent permitted by applicable law, the Board or the Committee may delegate to an officer of the Company the authority to make Awards hereunder.

3.3 **Guidelines**. Subject to Article 11 hereof, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan and perform all acts, including the delegation of its responsibilities (to the extent permitted by applicable law and applicable stock exchange rules), as it shall, from time to time, deem advisable; to construe and interpret the terms and provisions of the Plan and any Award issued under the Plan (and any Award Agreements relating thereto); and to otherwise supervise the administration of the Plan. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any agreement relating thereto in the manner and to the extent it shall deem necessary to effectuate the purpose and intent of the

Plan. The Committee may adopt special guidelines and provisions for persons who are residing in or employed in, or subject to, the taxes of, any domestic or foreign jurisdictions to comply with applicable tax and securities laws of such domestic or foreign jurisdictions. Notwithstanding the foregoing, no action of the Committee under this Section 3.3 shall impair the rights of any Participant without the Participant's consent. To the extent applicable, the Plan is intended to comply with the applicable requirements of Rule 16b-3, and the Plan shall be limited, construed and interpreted in a manner so as to comply therewith.

3.4 **Decisions Final**. Any decision, interpretation or other action made or taken in good faith under the Plan, by or at the direction of the Company, the Board or the Committee (or any of its members), shall be final, binding and conclusive on the Company and all employees and Participants and their respective heirs, executors, administrators, successors and assigns.

3.5 **Designation of Consultants/Liability**.

(a) The Committee may designate employees of the Company and professional advisors to assist the Committee in the administration of the Plan and (to the extent permitted by applicable law and applicable exchange rules) may grant authority to officers to grant Awards and/or execute agreements or other documents on behalf of the Committee.

(b) The Committee may employ such legal counsel, consultants and agents as it may deem desirable for the administration of the Plan and may rely upon any opinion received from any such counsel or consultant and any computation received from any such consultant or agent. Expenses incurred by the Committee or the Board in the engagement of any such counsel, consultant or agent shall be paid by the Company. The Committee, its members and any person designated or granted authority pursuant to sub-section (a) above shall not be liable for any action or determination made in good faith with respect to the Plan. To the maximum extent permitted by applicable law, no officer or employee of the Company or its Affiliates or member or former member of the Committee or of the Board shall be liable for any action or determination made in good faith with respect to the Plan or any Award granted under it.

ARTICLE 4
SHARE LIMITATION

4.1 **Shares**.

(a) The aggregate number of shares of Common Stock that may be issued or used for reference purposes or with respect to which Awards may be granted under the Plan shall not exceed 6,876,500 shares (subject to any increase or decrease pursuant to Section 4.2) (the "Share Reserve"), which may be either authorized and unissued Common Stock or Common Stock held in or acquired for the treasury of the Company or both.

(b) The maximum number of shares of Common Stock with respect to which Incentive Stock Options may be granted under the Plan shall be equal to the Share Reserve. If any Option or Other Stock-Based Award granted under the Plan expires, terminates or is canceled for any reason without having been exercised in full, the number of shares of Common Stock underlying any unexercised Award shall again be available for the purpose of Awards under the Plan. If any shares of Restricted Stock, Performance Awards or Other Stock-Based Awards denominated in shares of Common Stock awarded under the Plan to a Participant are forfeited for any reason, the number of forfeited shares of Restricted Stock, Performance Awards or Other Stock-Based Awards denominated in shares of Common Stock shall again be available for purposes of Awards under the Plan. Any Award under the

Plan settled in cash shall not be counted against the foregoing maximum share limitations. To the extent an Award is denominated in shares of Common Stock, but paid or settled in cash, the number of shares of Common Stock with respect to which such payment or settlement is made shall again be available for grants of Awards under the Plan.

4.2 **Changes**.

(a) The existence of the Plan and the Awards granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (ii) any merger or consolidation of the Company or any Affiliate, (iii) any issuance of bonds, debentures, preferred or prior preference stock ahead of or affecting the Common Stock, (iv) the dissolution or liquidation of the Company or any Affiliate, (v) any sale or transfer of all or part of the assets or business of the Company or any Affiliate or (vi) any other corporate act or proceeding.

(b) Subject to the provisions of Section 10.1:

(i) If the Company at any time subdivides (by any split, recapitalization or otherwise) the outstanding Common Stock into a greater number of shares of Common Stock, or combines (by reverse split, combination or otherwise) its outstanding Common Stock into a lesser number of shares of Common Stock, then the respective exercise prices for outstanding Awards that provide for a Participant elected exercise and the number of shares of Common Stock covered by outstanding Awards may be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under the Plan.

(ii) Excepting transactions covered by Section 4.2(b)(i), if the Company effects any merger, consolidation, statutory exchange, spin-off, reorganization, sale or transfer of all or substantially all the Company's assets or business, or other corporate transaction or event in such a manner that the Company's outstanding shares of Common Stock are converted into the right to receive (or the holders of Common Stock are entitled to receive in exchange therefor), either immediately or upon liquidation of the Company, securities or other property of the Company or other entity (each, a "Reorganization"), then, subject to the provisions of Section 10.1, (A) the aggregate number or kind of securities that thereafter may be issued under the Plan, (B) the number or kind of securities or other property (including cash) to be issued pursuant to Awards granted under the Plan (including as a result of the assumption of the Plan and the obligations hereunder by a successor entity, as applicable), or (C) the purchase price thereof, may be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under the Plan.

(iii) If there shall occur any change in the capital structure of the Company other than those covered by Section 4.2(b)(i) or 4.2(b)(ii), including by reason of any extraordinary dividend (whether cash or equity), any conversion, any adjustment, any issuance of any class of securities convertible or exercisable into, or exercisable for, any class of equity securities of the Company, then the Committee may equitably adjust all outstanding Awards and make such other adjustments to the Plan to prevent dilution or enlargement of the rights granted to, or available for, Participants under the Plan.

(iv) Any such adjustment determined by the Committee pursuant to this Section 4.2(b) shall be final, binding and conclusive on the Company and all Participants and their respective heirs, executors, administrators, successors and permitted assigns. Any adjustment to, or assumption or substitution of, an Award under this Section 4.2(b) shall be intended to comply with the requirements of Section 409A of the Code and Treasury Regulation §1.424-1 (and any amendments thereto), to the extent applicable. Except as expressly provided in this Section 4.2 or in the applicable Award Agreement, a Participant shall have no additional rights under the Plan by reason of any transaction or event described in this Section 4.2.

(v) Fractional shares of Common Stock resulting from any adjustment in Awards pursuant to Section 4.2(a) or this Section 4.2(b) shall be aggregated until, and eliminated at, the time of exercise or payment by rounding-down for fractions less than one-half and rounding-up for fractions equal to or greater than one-half. No cash settlements shall be required with respect to fractional shares eliminated by rounding. Notice of any adjustment shall be given by the Committee to each Participant whose Award has been adjusted and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes of the Plan.

4.3 **Minimum Purchase Price**. Notwithstanding any provision of the Plan to the contrary, if authorized but previously unissued shares of Common Stock are issued under the Plan, such shares shall not be issued for a consideration that is less than as permitted under applicable law.

4.4 **Award Limitations**. The aggregate grant date fair value for financial reporting purposes of Awards granted during a calendar year to a non-employee member of the Board (an "Outside Director") as compensation for his or her services as a director shall not exceed (i) $650,000 in total value in the case of an Outside Director other than the Chairman of the Board, and (ii) $1,000,000 in total value in the case of the Chairman of the Board. For the avoidance of doubt, Awards granted to Outside Directors shall be subject to all of the other limitations set forth in the Plan. Except as set forth in this Section 4.4, there is no limit on the amount of cash and securities (other than the overall Plan limit on shares of Common Stock as provided in Section 4.1) that may be subject to Awards to any Eligible Individual under the Plan.

ARTICLE 5
ELIGIBILITY

5.1 **General Eligibility**. All current and prospective Eligible Individuals are eligible to be granted Awards. Eligibility for the grant of Awards and actual participation in the Plan shall be determined by the Committee in its sole discretion, subject to the terms of the Plan, including, without limitation, Section 4.1.

5.2 **Incentive Stock Options**. Notwithstanding the foregoing, only Eligible Employees of the Company, its Subsidiaries and its Parent (if any) are eligible to be granted Incentive Stock Options under the Plan. Eligibility for the grant of an Incentive Stock Option and actual participation in the Plan shall be determined by the Committee in its sole discretion.

5.3 **General Requirement**. The vesting and exercise of Awards granted to a prospective Eligible Individual are conditioned upon such individual actually becoming an Eligible Employee or Consultant, respectively.

5.4 **Company Repurchase Right**.

(a) Repurchase Right. Upon a Termination of the Participant, the Company shall have the right (but not the obligation) to repurchase all or any portion of the shares of Common Stock acquired and still held by the Participant pursuant to an Award (such shares of Common Stock, the "Award Shares") at a price equal to the Fair Market Value of the shares of Common Stock to be repurchased, measured as of the date of the Repurchase Notice (as defined in Section 5.4(b)) (the "Repurchase Price"). The duration and other material terms of the Company's repurchase right pursuant to this Section 5.4 shall be determined by the Board and may vary among Eligible Employees and Awards.

(b) Repurchase Notice. In order to exercise its right pursuant to Section 5.4, the Company must deliver a written notice to the Participant (the "Repurchase Notice"), which Repurchase Notice shall set forth the number of Award Shares to be acquired, the Repurchase Price, and the time and place for the closing of the repurchase contemplated by this Section 5.4 (the "Repurchase Closing").

(c) Fair Market Value Dispute. If, within thirty (30) days of the Participant's receipt of the Repurchase Notice, the Participant delivers to the Company a statement setting forth the Participant's disagreement with the Fair Market Value determination and including the Participant's proposed Fair Market Value (the "Dispute Notice"), then the Company and the Participant will, within thirty (30) days of the Participant's delivery of the Dispute Notice, engage a nationally recognized accounting firm experienced in the valuation of private companies that is mutually agreeable to the Participant and the Committee and independent of each of the parties (the "Auditor"), to resolve such dispute. For this purpose, an accounting firm shall be considered independent of each of the parties if, within the prior two-year period, the accounting firm has neither (i) provided any services to the Company or any of its Affiliates, nor (ii) performed any substantial services for the Participant. The Company, the Committee and the Participant shall promptly provide the Auditor with any information requested by the Auditor as necessary or appropriate in resolving such dispute. The Auditor shall review such information and, within thirty (30) days of its appointment, shall deliver its determination of Fair Market Value, which, absent a court's finding of fraud or manifest error, shall be binding on the parties; provided, that the Auditor shall not be permitted or authorized to determine a Fair Market Value that is outside of the range between the Fair Market Value proposed by the Committee and the Fair Market Value proposed by the Participant in the Dispute Notice. The fees and expenses of the Auditor shall be borne by (x) the Company, if the final Fair Market Value determined by the Auditor is greater than 107.5% of the Fair Market Value initially determined by the Committee, and (y) the Participant, if the final Fair Market Value determined by the Auditor is less than or equal to 107.5% of the Fair Market Value initially determined by the Committee.

(d) Repurchase Closing. The Repurchase Closing shall take place on the date designated by the Company in the Repurchase Notice, which date shall be on or before the thirtieth day following the date of the Repurchase Notice (the "Repurchase Closing Date"). On the Repurchase Closing Date, the Company must pay for the Award Shares to be purchased by it in cash, payable by, at the Company's election, delivery of a cashier's or bank check or a wire transfer of immediately available funds.

(e) Liquidity Limitations. If payment of all or a portion of the Repurchase Price by the Company would violate applicable law or any bona fide third party credit agreements to which the Company is a party (the "Bona Fide Agreements"), the Company may pay such portion of the Repurchase Price as soon as practicable following the lapse of such prohibitions or restrictions, but in any event no later than the second anniversary of the original Repurchase Closing Date. If permitted by applicable law and the Bona Fide Agreements, the Company will issue an unsecured promissory note to the Participant in the event of any tolling under this Section 5.4(e), which promissory note will bear interest at the prime rate as published in *The Wall Street Journal* for the day immediately preceding the date of the issuance of the promissory note.

(f) Expiration of Repurchase Rights. The repurchase rights granted in this Section 5.4 shall terminate upon the Registration Date.

ARTICLE 6
STOCK OPTIONS

6.1 **Options**. Stock Options may be granted alone or in addition to other Awards granted under the Plan. Each Stock Option granted under the Plan shall be of one of two types: (a) an Incentive Stock Option or (b) a Non-Qualified Stock Option.

6.2 **Grants**. The Committee shall have the authority to grant to any Eligible Employee one or more Incentive Stock Options, Non-Qualified Stock Options, or both types of Stock Options, in each case, pursuant to an Award Agreement. The Committee shall have the authority to grant any Consultant one or more Non-Qualified Stock Options. To the extent that any Stock Option does not qualify as an Incentive Stock Option (whether because of its provisions or the time or manner of its exercise or otherwise), such Stock Option or the portion thereof which does not so qualify shall constitute a separate Non-Qualified Stock Option.

6.3 **Incentive Stock Options**. Notwithstanding anything in the Plan to the contrary, no term of the Plan relating to Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code, or, without the consent of the Participants affected, to disqualify any Incentive Stock Option under such Section 422.

6.4 **Terms of Options**. Options granted under the Plan shall be subject to the following terms and conditions and shall be in such form and contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable, including those set forth in an Award Agreement:

(a) Exercise Price. The exercise price per share of Common Stock subject to a Stock Option shall be determined by the Committee at the time of grant, provided that the per share exercise price of a Stock Option shall not be less than 100% (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, 110%) of the Fair Market Value of the Common Stock at the time of grant.

(b) Stock Option Term. The term of each Stock Option shall be fixed by the Committee, provided that no Stock Option shall be exercisable more than 10 years after the date the Option is granted; and provided further that the term of an Incentive Stock Option granted to a Ten Percent Stockholder shall not exceed five years.

(c) Exercisability. Unless otherwise provided by the Committee in accordance with the provisions of this Section 6.4, Stock Options granted under the Plan shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at the time of grant. If the Committee provides, in its discretion, that any Stock Option is exercisable subject to certain limitations (including, without limitation, that such Stock Option is exercisable only in installments or within certain time periods), the Committee may waive such limitations on the exercisability at any time at or after the time of grant in whole or in part (including, without limitation, waiver of the installment exercise provisions or acceleration of the time at which such Stock Option may be exercised), based on such factors, if any, as the Committee shall determine, in its sole discretion.

(d) Method of Exercise. Subject to whatever installment exercise and waiting period provisions apply under Section 6.4(c), to the extent vested, Stock Options may be exercised in whole or in part at any time during the Option term, by giving written notice of exercise to the Company (or to its agent specifically designated for such purpose) specifying the number of shares of Common Stock to be purchased (which notice may be provided in an electronic form to the extent acceptable to the Committee

and the Company). Such notice shall be accompanied by payment in full of the purchase price as follows: (i) in cash or by check, bank draft or money order payable to the order of the Company; (ii) solely to the extent permitted by applicable law, if the Common Stock is traded on a national securities exchange, and the Committee authorizes, through a procedure whereby the Participant delivers irrevocable instructions to a broker reasonably acceptable to the Committee to deliver promptly to the Company shares of Common Stock with an aggregate value equal to the purchase price; (iii) by having the Company withhold shares of Common Stock issuable upon exercise of the Stock Option; or (iv) on such other terms and conditions as may be acceptable to the Committee (including, without limitation, with the consent of the Committee, by payment in full or in part in the form of Common Stock owned by the Participant, based on the Fair Market Value of the Common Stock on the payment date as determined by the Committee). No shares of Common Stock shall be issued until payment therefor, as provided herein, has been made or provided for.

(e) Non-Transferability of Options. No Stock Option shall be Transferable by the Participant other than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Participant's lifetime, only by the Participant. Notwithstanding the foregoing, the Committee may determine, in its sole discretion, at the time of grant or thereafter that a Non-Qualified Stock Option that is otherwise not Transferable pursuant to this Section is Transferable to a Family Member in whole or in part and in such circumstances, and under such conditions, as specified by the Committee. A Non-Qualified Stock Option that is Transferred to a Family Member pursuant to the preceding sentence (i) may not be subsequently Transferred other than by will or by the laws of descent and distribution; (ii) remains subject to the terms of the Plan and the applicable Award Agreement; and (iii) may be exercised by such Family Member. Any shares of Common Stock acquired upon the exercise of a Non-Qualified Stock Option by a permissible transferee of a Non-Qualified Stock Option or a permissible transferee pursuant to a Transfer after the exercise of the Non-Qualified Stock Option shall be subject to the terms of the Plan and the applicable Award Agreement.

(f) Termination by Death or Disability. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination is by reason of death or Disability, all Stock Options that are held by such Participant that are vested and exercisable at the time of the Participant's Termination may be exercised by the Participant (or in the case of the Participant's death, by the legal representative of the Participant's estate) at any time within a period of one (1) year from the date of such Termination, but in no event beyond the expiration of the stated term of such Stock Options; provided, however, that, in the event of a Participant's Termination by reason of Disability, if the Participant dies within such exercise period, all unexercised Stock Options held by such Participant shall thereafter be exercisable, to the extent to which they were exercisable at the time of death, for a period of one (1) year from the date of such death, but in no event beyond the expiration of the stated term of such Stock Options.

(g) Involuntary Termination Without Cause. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination is by involuntary termination by the Company without Cause, all Stock Options that are held by such Participant that are vested and exercisable at the time of the Participant's Termination may be exercised by the Participant at any time within a period of ninety (90) days from the date of such Termination, but in no event beyond the expiration of the stated term of such Stock Options.

(h) Voluntary Resignation. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination is voluntary (other than a voluntary termination described in Section 6.4(i)(y) hereof), all Stock Options that are held by such Participant that are vested and exercisable at the time of the Participant's Termination may be exercised by the Participant at any time within a period of thirty (30) days from the date of such Termination, but in no event beyond the expiration of the stated term of such Stock Options.

(i) Termination for Cause. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination (x) is for Cause or (y) is a voluntary Termination (as provided in Section 6.4(h)) after the occurrence of an event that would be grounds for a Termination for Cause, all Stock Options, whether vested or not vested, that are held by such Participant shall thereupon terminate and expire as of the date of such Termination.

(j) Unvested Stock Options. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, Stock Options that are not vested as of the date of a Participant's Termination for any reason shall terminate and expire as of the date of such Termination.

(k) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined as of the time of grant) of the Common Stock with respect to which Incentive Stock Options are exercisable for the first time by an Eligible Employee during any calendar year under the Plan and/or any other stock option plan of the Company, any Subsidiary or any Parent exceeds $100,000, such Options shall be treated as Non-Qualified Stock Options. In addition, if an Eligible Employee does not remain employed by the Company, any Subsidiary or any Parent at all times from the time an Incentive Stock Option is granted until three months prior to the date of exercise thereof (or such other period as required by applicable law), such Stock Option shall be treated as a Non-Qualified Stock Option. Should any provision of the Plan not be necessary in order for the Stock Options to qualify as Incentive Stock Options, or should any additional provisions be required, the Committee may amend the Plan accordingly, without the necessity of obtaining the approval of the stockholders of the Company.

(l) Form, Modification, Extension and Renewal of Stock Options. Subject to the terms and conditions and within the limitations of the Plan, including those set forth in the following sentence, Stock Options shall be evidenced by such form of agreement or grant as is approved by the Committee, and the Committee may (i) modify, extend or renew outstanding Stock Options granted under the Plan (provided that the rights of a Participant are not reduced without such Participant's consent and provided, further, that such action does not subject the Stock Options to Section 409A of the Code without the consent of the Participant), and (ii) accept the surrender of outstanding Stock Options (to the extent not theretofore exercised) and authorize the granting of new Stock Options or other Awards in substitution therefor (to the extent not theretofore exercised). Notwithstanding the foregoing, except in connection with a corporate transaction involving the Company in accordance with Section 4.2 (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), an outstanding Stock Option may not be modified to reduce the exercise price thereof nor may a new Stock Option at a lower price be substituted for a surrendered Stock Option, unless such action is approved by the stockholders of the Company.

(m) Early Exercise. The Committee may provide that a Stock Option include a provision whereby the Participant may elect at any time before the Participant's Termination to exercise the Stock Option as to any part or all of the shares of Common Stock subject to the Stock Option prior to the full vesting of the Stock Option, and such shares shall be subject to the provisions of Article 7 and be treated as Restricted Stock, which will remain subject to the original vesting schedule applicable to the predecessor Stock Option. Unvested shares of Common Stock so purchased may be subject to a repurchase option in favor of the Company or to any other restriction the Committee determines to be appropriate.

(n) Other Terms and Conditions. The Committee may include a provision in an Award Agreement providing for the automatic exercise of a Non-Qualified Stock Option on a cashless basis on the last day of the term of such Option if the Participant has failed to exercise the Non-Qualified Stock Option as of such date, with respect to which the Fair Market Value of the shares of Common Stock underlying the Non-Qualified Stock Option exceeds the exercise price of such Non-Qualified Stock Option on the date of expiration of such Option, subject to Section 13.4. Stock Options may contain such other provisions, which shall not be inconsistent with any of the terms of the Plan, as the Committee shall deem appropriate. The recipient of a Stock Option under this Article 6 shall not be entitled to receive, currently or on a deferred basis, dividends or dividend equivalents in respect of the number of shares of Common Stock covered by the Stock Option. The Company will evidence each Participant's ownership of Common Stock issued upon exercise of a Stock Option pursuant to a designated system, such as book entries by the transfer agent; if a stock certificate for such shares of Common Stock is issued, it will be substantially in the form set forth in Section 7.2(c).

ARTICLE 7
RESTRICTED STOCK

7.1 **Awards of Restricted Stock**. Shares of Restricted Stock may be issued either alone or in addition to other Awards granted under the Plan. The Committee shall determine the Eligible Individuals, to whom, and the time or times at which, grants of Restricted Stock shall be made, the number of shares to be awarded, the price (if any) to be paid by the Participant (subject to Section 7.2), the time or times within which such Awards may be subject to forfeiture, the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the Awards.

The Committee may condition the grant or vesting of Restricted Stock upon the attainment of specified performance targets (including, the Performance Goals) or such other factor as the Committee may determine in its sole discretion.

7.2 **Awards and Certificates**. If required by the Award Agreement, Eligible Individuals selected to receive Restricted Stock shall not have any right with respect to such Award, unless and until such Participant has delivered a fully executed copy of the Award Agreement evidencing the Award to the Company, to the extent required by the Committee, and has otherwise complied with the applicable terms and conditions of such Award. Further, such Award shall be subject to the following conditions:

(a) Purchase Price. The purchase price of Restricted Stock shall be fixed by the Committee. Subject to Section 4.3, the purchase price for shares of Restricted Stock may be zero to the extent permitted by applicable law, and, to the extent not so permitted, such purchase price may not be less than par value.

(b) Acceptance. Awards of Restricted Stock must be accepted within a period of sixty (60) days (or such shorter period as the Committee may specify at grant) after the grant date, by executing a Restricted Stock Award Agreement and by paying whatever price (if any) the Committee has designated thereunder.

(c) Legend. The Company will evidence each Participant's ownership of Restricted Stock pursuant to a designated system, such as book entries by the transfer agent. If a stock certificate for such shares of Restricted Stock is issued, such certificate shall be registered in the name of such Participant, and shall, in addition to such legends required by applicable securities laws, bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, substantially in the following form:

> "The anticipation, alienation, attachment, sale, transfer, assignment, pledge, encumbrance or charge of the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) of the Berry Petroleum Corporation (the "Company") 2017 Omnibus Incentive Plan (the "Plan") and an Agreement entered into between the registered owner and the Company dated. Copies of such Plan and Agreement are on file at the principal office of the Company."

(d) Custody. If stock certificates are issued in respect of shares of Restricted Stock, the Committee may require that any stock certificates evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed, and that, as a condition of any grant of Restricted Stock, the Participant shall have delivered a duly signed stock power or other instruments of assignment (including a power of attorney), each endorsed in blank with a guarantee of signature if deemed necessary or appropriate by the Company, which would permit transfer to the Company of all or a portion of the shares subject to the Restricted Stock Award in the event that such Award is forfeited in whole or part or otherwise transferred to the Company.

7.3 **Restrictions and Conditions**. The shares of Restricted Stock awarded pursuant to the Plan shall be subject to the following restrictions and conditions:

(a) Restriction Period.

(i) The Participant shall not be permitted to Transfer shares of Restricted Stock awarded under the Plan during the period or periods set by the Committee (the "Restriction Period") commencing on the date of such Award, as set forth in the Restricted Stock Award Agreement and such agreement shall set forth a vesting schedule and any event that would accelerate vesting of the shares of Restricted Stock. Within these limits, based on service, attainment of Performance Goals pursuant to Section 7.3(a)(ii) and/or such other factors or criteria as the Committee may determine in its sole discretion, the Committee may condition the grant or provide for the lapse of such restrictions in installments in whole or in part, or may accelerate the vesting of all or any part of any Restricted Stock Award and/or waive the deferral limitations for all or any part of any Restricted Stock Award.

(ii) If the grant of shares of Restricted Stock or the lapse of restrictions is based on the attainment of Performance Goals, the Committee shall establish the objective Performance Goals and the applicable vesting percentage of the Restricted Stock applicable to each Participant or class of Participants in writing prior to the beginning of the applicable fiscal year or at such later date as otherwise determined by the Committee and while the outcome of the Performance Goals are substantially uncertain. Such Performance Goals may incorporate provisions for disregarding (or adjusting for) changes in accounting methods, corporate transactions (including, without limitation, dispositions and acquisitions) and other similar type events or circumstances.

(b) Rights as a Stockholder. Except as provided in Section 7.3(a) and this Section 7.3(b) or as otherwise determined by the Committee in an Award Agreement, the Participant shall have, with respect to the shares of Restricted Stock, all of the rights of a holder of shares of Common Stock of the Company, including, without limitation, the right to receive dividends (the payment of which may be deferred until, and conditioned upon, the expiration of the applicable Restriction Period, as determined in the Committee's sole discretion), the right to vote such shares and, subject to and conditioned upon the full vesting of shares of Restricted Stock, the right to tender such shares.

(c) Termination. Unless otherwise determined by the Committee at grant or, if no rights of the Participant are reduced, thereafter, subject to the applicable provisions of the Award Agreement and the Plan, upon a Participant's Termination for any reason during the relevant Restriction Period, all Restricted Stock still subject to restriction will be forfeited in accordance with the terms and conditions established by the Committee at grant or thereafter.

(d) Lapse of Restrictions. If and when the Restriction Period expires without a prior forfeiture of the shares of Restricted Stock, such earned shares (and to the extent ownership of such shares is evidenced by stock certificates, the stock certificates for such shares) shall be delivered to the Participant. All legends shall be removed from said certificates at the time of delivery to the Participant, except as otherwise required by applicable law or other limitations imposed by the Committee.

ARTICLE 8
PERFORMANCE AWARDS

8.1 **Performance Awards**. The Committee may grant a Performance Award to a Participant payable upon the attainment of specific Performance Goals. If the Performance Award is payable in shares of Restricted Stock, such shares shall be transferable to the Participant only upon attainment of the relevant Performance Goal in accordance with Article 7. If the Performance Award is payable in cash, it may be paid upon the attainment of the relevant Performance Goals either in cash or in shares of Restricted Stock (based on the then current Fair Market Value of such shares), as determined by the Committee, in its sole and absolute discretion. Each Performance Award shall be evidenced by an Award Agreement in such form that is not inconsistent with the Plan and that the Committee may from time to time approve.

8.2 **Terms and Conditions**. Performance Awards awarded pursuant to this Article 8 shall be subject to the following terms and conditions:

(a) Earning of Performance Award. At the expiration of the applicable Performance Period, the Committee shall determine the extent to which the Performance Goals are achieved and the percentage of each Performance Award that has been earned.

(b) Non-Transferability. Subject to the applicable provisions of the Award Agreement and the Plan, Performance Awards may not be Transferred during the Performance Period.

(c) Dividends. To the extent determined by the Committee in an Award Agreement evidencing a Performance Award, a Participant shall be entitled to receive an amount equal to the dividends paid on the number of shares of Common Stock covered by the Performance Award; provided that the Committee may, in its sole discretion, provide for either of the following in the Award Agreement at the time of grant: (i) dividends or dividend equivalents will be paid as accrued but will be subject to the same vesting terms and conditions as the underlying Performance Award; or (ii) payment of dividends or dividend equivalents shall be deferred until, and conditioned upon, settlement of the underlying Performance Award.

(d) Payment. Following the Committee's determination in accordance with Section 8.2(a), the Company shall settle Performance Awards, in such form (including, without limitation, in shares of Common Stock or in cash) as determined by the Committee, in an amount equal to such Participant's earned Performance Awards. Notwithstanding the foregoing, the Committee may, in its sole discretion, award an amount less than the earned Performance Awards and/or subject the payment of all or part of any Performance Award to additional vesting, forfeiture and deferral conditions as it deems appropriate.

(e) Termination. Subject to the applicable provisions of the Award Agreement and the Plan, upon a Participant's Termination for any reason during the Performance Period for a given Performance Award, the Performance Award in question will vest or be forfeited in accordance with the terms and conditions established by the Committee at grant.

(f) Accelerated Vesting. Based on service, performance and/or such other factors or criteria, if any, as the Committee may determine, the Committee may, at or after grant, accelerate the vesting of all or any part of any Performance Award.

ARTICLE 9
OTHER STOCK-BASED AND CASH-BASED AWARDS

9.1 **Other Stock-Based Awards**. The Committee is authorized to grant to Eligible Individuals Other Stock-Based Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to shares of Common Stock, including but not limited to, shares of Common Stock awarded purely as a bonus and not subject to restrictions or conditions, shares of Common Stock in payment of the amounts due under an incentive or performance plan sponsored or maintained by the Company or an Affiliate, stock equivalent units, restricted stock units, and Awards valued by reference to book value of shares of Common Stock. Other Stock- Based Awards may be granted either alone or in addition to or in tandem with other Awards granted under the Plan.

Subject to the provisions of the Plan, the Committee shall have authority to determine the Eligible Individuals, to whom, and the time or times at which, such Awards shall be made, the number of shares of Common Stock to be awarded pursuant to such Awards, and all other conditions of the Awards. The Committee may also provide for the grant of Common Stock under such Awards upon the completion of a specified Performance Period.

The Committee may condition the grant or vesting of Other Stock-Based Awards upon the attainment of specified Performance Goals as the Committee may determine, in its sole discretion.

9.2 **Terms and Conditions**. Other Stock-Based Awards made pursuant to this Article 9 shall be subject to the following terms and conditions:

(a) Non-Transferability. Subject to the applicable provisions of the Award Agreement and the Plan, shares of Common Stock subject to Awards made under this Article 9 may not be Transferred prior to the date on which the shares are issued, or, if later, the date on which any applicable restriction, performance or deferral period lapses.

(b) Dividends. To the extent determined by the Committee in an Award Agreement evidencing an Other Stock-Based Award, a Participant shall be entitled to receive an amount equal to the dividends paid on the number of shares of Common Stock covered by Awards made under this Article 9; provided that the Committee may, in its sole discretion, provide for either of the following in the Award Agreement at the time of grant: (i) dividends or dividend equivalents will be paid as accrued but will be subject to the same vesting terms and conditions as the underlying Award; or (ii) payment of dividends or dividend equivalents shall be deferred until, and conditioned upon, settlement of the underlying Award.

(c) Vesting. Any Award under this Article 9 and any Common Stock covered by any such Award shall vest or be forfeited to the extent so provided in the Award Agreement, as determined by the Committee, in its sole discretion.

(d) Price. Common Stock issued on a bonus basis under this Article 9 may be issued for no cash consideration. Common Stock purchased pursuant to a purchase right awarded under this Article 9 shall be priced, as determined by the Committee in its sole discretion.

9.3 **Other Cash-Based Awards**. The Committee may from time to time grant Other Cash-Based Awards to Eligible Individuals in such amounts, on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by applicable law, as it shall determine in its sole discretion. Other Cash-Based Awards may be granted subject to the satisfaction of vesting conditions or may be awarded purely as a bonus and not subject to restrictions or conditions, and if subject to vesting conditions, the Committee may accelerate the vesting of such Awards at any time in its sole discretion. The grant of an Other Cash-Based Award shall not require a segregation of any of the Company's assets for satisfaction of the Company's payment obligation thereunder.

ARTICLE 10
CHANGE IN CONTROL PROVISIONS

10.1 **Benefits**. In the event of a Change in Control of the Company (as defined below), and except as otherwise provided by the Committee in an Award Agreement, a Participant's unvested Awards shall not vest automatically and a Participant's Awards shall be treated in accordance with one or more of the following methods as determined by the Committee:

(a) Awards, whether or not then vested, shall be continued, assumed, or have new rights substituted therefor, as determined by the Committee in a manner consistent with the requirements of Section 409A of the Code, and restrictions to which shares of Restricted Stock or any other Award granted prior to the Change in Control are subject shall not lapse upon a Change in Control and the Restricted Stock or other Award shall, where appropriate in the sole discretion of the Committee, receive the same distribution as other Common Stock on such terms as determined by the Committee; provided that the Committee may decide to award additional Restricted Stock or other Awards in lieu of any cash distribution. Notwithstanding anything to the contrary herein, for purposes of Incentive Stock Options, any assumed or substituted Stock Option shall comply with the requirements of Treasury Regulation Section 1.424-1 (and any amendment thereto).

(b) The Committee, in its sole discretion, may provide for the purchase of any Awards by the Company or an Affiliate for an amount of cash equal to the excess (if any) of the Change in Control Price (as defined below) of the shares of Common Stock covered by such Awards, over the aggregate exercise price of such Awards. For purposes hereof, "Change in Control Price" shall mean the highest price per share of Common Stock paid in respect of the transaction that constitutes a Change in Control of the Company.

(c) The Committee may, in its sole discretion, terminate all outstanding and unexercised Stock Options or any Other Stock-Based Award that provides for a Participant elected exercise, effective as of the date of the Change in Control, by delivering notice of termination to each Participant at least twenty (20) days prior to the date of consummation of the Change in Control, in which case during the period from the date on which such notice of termination is delivered to the consummation of the Change in Control, each such Participant shall have the right to exercise in full all of such Participant's Awards that are then outstanding (without regard to any limitations on exercisability

otherwise contained in the Award Agreements), but any such exercise shall be contingent on the occurrence of the Change in Control, and, provided that, if the Change in Control does not take place within a specified period after giving such notice for any reason whatsoever, the notice and exercise pursuant thereto shall be null and void.

(d) The Committee may, in its sole discretion, make any other determination as to the treatment of Awards in connection with such Change in Control as the Committee may determine. Any escrow, holdback, earnout or similar provisions in the definitive agreement(s) relating to such transaction may apply to any payment to the holders of Awards to the same extent and in the same manner as such provisions apply to the holders of shares of Common Stock.

Notwithstanding any other provision herein to the contrary, the Committee may, in its sole discretion, provide for accelerated vesting or lapse of restrictions, of an Award at any time.

10.2 **Change in Control.** Unless otherwise determined by the Committee in the applicable Award Agreement or other written agreement with a Participant approved by the Committee, a "Change in Control" shall be deemed to occur if:

(a) any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of Common Stock of the Company), becoming the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities;

(b) during any period of 24 consecutive calendar months, individuals who were directors of the Company on the first day of such period (the "Incumbent Directors") cease for any reason to constitute a majority of the Board; provided, however, that any individual becoming a director subsequent to the first day of such period whose election, or nomination for election, by the Company's stockholders was approved by a vote of at least two-thirds of the Incumbent Directors will be considered as though such individual were an Incumbent Director, but excluding, for purposes of this proviso, any such individual whose initial assumption of office occurs as a result of an actual or threatened proxy contest with respect to election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a "person" (as used in Section 13(d) of the Exchange Act), in each case, other than the Board, which individual, for the avoidance of doubt, shall not be deemed to be an Incumbent Director for purposes of this Section 10.2(b), regardless of whether such individual was approved by a vote of at least two-thirds of the Incumbent Directors;

(c) consummation of a reorganization, merger, consolidation or other business combination (any of the foregoing, a "Business Combination") of the Company or any direct or indirect Subsidiary with any other corporation, in any case with respect to which the Company voting securities outstanding immediately prior to such Business Combination do not, immediately following such Business Combination, continue to represent (either by remaining outstanding or being converted into voting securities of the Company or any ultimate parent thereof) more than 50% of the then outstanding voting securities entitled to vote generally in the election of directors of the Company (or its successor) or any ultimate parent thereof after the Business Combination; or

(d) (i) a complete liquidation or dissolution of the Company or (ii) the consummation of a sale or disposition of all or substantially all of the assets of the Company and its Subsidiaries (on a consolidated basis) in one or a series of related transactions.

Notwithstanding the foregoing, with respect to any Award that is characterized as "nonqualified deferred compensation" within the meaning of Section 409A of the Code, an event shall not be considered to be a Change in Control under the Plan for purposes of payment of such Award unless such event is also a "change in ownership," a "change in effective control" or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Section 409A of the Code.

ARTICLE 11
TERMINATION OR AMENDMENT OF PLAN

Notwithstanding any other provision of the Plan, the Board may at any time, and from time to time, amend, in whole or in part, any or all of the provisions of the Plan (including any amendment deemed necessary to ensure that the Company may comply with any regulatory requirement referred to in Article 13 or Section 409A of the Code), or suspend or terminate it entirely, retroactively or otherwise; provided, however, that the rights of a Participant, with respect to all Awards granted prior to such amendment, suspension or termination, may not be impaired in any way without the express written consent of such Participant. Notwithstanding anything in this Article 11 to the contrary, the Board may amend the Plan or any Award or Award Agreement at any time, and without Participant consent, to the extent necessary to comply with applicable law, including Section 409A of the Code. The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively, but, subject to Article 4 or except as otherwise specifically provided herein, no such amendment or other action by the Committee shall impair the rights of any Award holder in any way without the holder's express written consent.

ARTICLE 12
UNFUNDED STATUS OF PLAN

The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payment as to which a Participant has a fixed and vested interest but which are not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any right that is greater than those of a general unsecured creditor of the Company.

ARTICLE 13
GENERAL PROVISIONS

13.1 **Legend**. The Committee may require each person receiving shares of Common Stock pursuant to a Stock Option or other Award under the Plan to represent to and agree with the Company in writing that the Participant is acquiring the shares without a view to distribution thereof. In addition to any legend required by the Plan, the certificates for such shares (if any) may include any legend that the Committee deems appropriate to reflect any restrictions on Transfer. All certificates for shares of Common Stock (to the extent such shares are certificated) delivered under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed or any national securities exchange system or over-the-counter market upon whose system the Common Stock is then quoted, any applicable federal or state securities law, and any applicable corporate law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

13.2 **Other Plans**. Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required, and such arrangements may be either generally applicable or applicable only in specific cases.

13.3 **No Right to Employment/Consultancy**. Neither the Plan nor the grant of any Option or other Award hereunder shall give any Participant or other employee or Consultant any right with respect to continuance of employment or consultancy by the Company or any Affiliate, nor shall the Plan nor the grant of any Option or other Award hereunder limit in any way the right of the Company or any Affiliate by which an employee is employed or a Consultant is retained to terminate such employment or consultancy at any time.

13.4 **Withholding of Taxes**.

(a) General. Subject to Section 13.4(b), as a condition to the settlement of any Award hereunder, a Participant shall be required to pay in cash, or to make other arrangements reasonably satisfactory to the Company (including, without limitation, authorizing withholding from payroll and any other amounts payable to the Participant), an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its good faith discretion, deems necessary to comply with the Code and/or any other applicable law, rule or regulation with respect to the Award. Unless the tax withholding obligations of the Company are satisfied, the Company shall have no obligation to issue a certificate or book-entry transfer for such Shares.

(b) Common Stock Not Publicly Traded. Notwithstanding anything to the contrary in Section 13.4(a), in the event the shares of Common Stock are not listed for trading on an established securities exchange on the date an Award vests and/or is settled, then the Company shall, at the request of the Participant, deduct or withhold shares of Common Stock having a Fair Market Value equal to the amount required to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) to the maximum extent permitted by the accounting rules applicable to the Company as then in effect without adverse accounting treatment.

13.5 **No Assignment of Benefits**. No Award or other benefit payable under the Plan shall, except as otherwise specifically provided by law or permitted by the Committee, be Transferable in any manner, and any attempt to Transfer any such benefit shall be void, and any such benefit shall not in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person who shall be entitled to such benefit, nor shall it be subject to attachment or legal process for or against such person.

13.6 **Listing and Other Conditions**.

(a) Unless otherwise determined by the Committee, as long as the Common Stock is listed on a national securities exchange, system sponsored by a national securities association or recognized over-the-counter market, the issuance of shares of Common Stock pursuant to an Award shall be conditioned upon such shares being listed on such exchange, system or market. The Company shall have no obligation to issue such shares unless and until such shares are so listed, and the right to exercise any Option or other Award with respect to such shares shall be suspended until such listing has been effected.

(b) If at any time counsel to the Company shall be of the opinion that any sale or delivery of shares of Common Stock pursuant to an Option or other Award is or may in the circumstances be unlawful or result in the imposition of excise taxes on the Company under the statutes, rules or regulations of any applicable jurisdiction, the Company shall have no obligation to make such sale or delivery, or to make any application or to effect or to maintain any qualification or registration under the Securities Act or otherwise, with respect to shares of Common Stock or Awards, and the right to exercise any Option or other Award shall be suspended until, in the opinion of said counsel, such sale or delivery shall be lawful or will not result in the imposition of excise taxes on the Company.

(c) Upon termination of any period of suspension under this Section 13.6, any Award affected by such suspension which shall not then have expired or terminated shall be reinstated as to all shares available before such suspension and as to shares which would otherwise have become available during the period of such suspension, but no such suspension shall extend the term of any Award.

(d) A Participant shall be required to supply the Company with certificates, representations and information that the Company requests and otherwise cooperate with the Company in obtaining any listing, registration, qualification, exemption, consent or approval the Company deems necessary or appropriate. Without limiting the foregoing, as a condition to (i) receiving an Award under the Plan and (ii) receiving any Common Stock in settlement of an Award, the Participant agrees that, if any underwritten public offering is undertaken by the Company for its own account or on account of a third party pursuant to customary registration rights (other than registration on Form S-8, S-4 or any successor or similar form), the Participant will not effect any public sale or distribution of any shares of Common Stock, or securities convertible into or exchangeable or exercisable for shares of Common Stock, during the 180-day period following such offering, unless otherwise agreed to in writing by the Company.

13.7 **Governing Law**. The Plan and actions taken in connection herewith shall be governed and construed in accordance with the laws of the State of Texas (regardless of the law that might otherwise govern under applicable Texas principles of conflict of laws).

13.8 **Jurisdiction; Waiver of Jury Trial**. Any suit, action or proceeding with respect to the Plan or any Award Agreement, or any judgment entered by any court of competent jurisdiction in respect of any thereof, shall be resolved only in the courts of the State of Texas or the United States District Court for the Northern District of Texas and the appellate courts having jurisdiction of appeals in such courts. In that context, and without limiting the generality of the foregoing, the Company and each Participant shall irrevocably and unconditionally (a) submit in any proceeding relating to the Plan or any Award Agreement, or for the recognition and enforcement of any judgment in respect thereof (a "Proceeding"), to the exclusive jurisdiction of the courts of the State of Texas, the court of the United States of America for the Northern District of Texas, and appellate courts having jurisdiction of appeals from any of the foregoing, and agree that Tax claims in respect of any such Proceeding shall be heard and determined in such Texas State court or, to the extent permitted by law, in such federal court, (b) consent that any such Proceeding may and shall be brought in such courts and waives any objection that the Company and each Participant may now or thereafter have to the venue or jurisdiction of any such Proceeding in any such court or that such Proceeding was brought in an inconvenient court and agree not to plead or claim the same, (c) waive all right to trial by jury in any Proceeding (whether based on contract, tort or otherwise) arising out of or relating to the Plan or any Award Agreement, (d) agree that service of process in any such Proceeding may be effected by mailing a copy of such process by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party, in the case of a Participant, at the Participant's address shown in the books and records of the Company or, in the case of the Company, at the Company's principal offices, attention General Counsel, and (e) agree that nothing in the Plan shall affect the right to effect service of process in any other manner permitted by the laws of the State of Texas.

13.9 **Construction**. Wherever any words are used in the Plan or an Award Agreement in the masculine gender they shall be construed as though they were also used in the feminine gender in all cases where they would so apply, and wherever words are used herein in the singular form they shall be construed as though they were also used in the plural form in all cases where they would so apply.

13.10 **Other Benefits**. No Award granted or paid out under the Plan shall be deemed compensation for purposes of computing benefits under any retirement plan of the Company or its Affiliates nor affect any benefit under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation.

13.11 **Costs**. The Company shall bear all expenses associated with administering the Plan, including expenses of issuing Common Stock pursuant to Awards hereunder.

13.12 **No Right to Same Benefits**. The provisions of Awards need not be the same with respect to each Participant, and such Awards to individual Participants need not be the same in subsequent years.

13.13 **Death/Disability**. The Committee may in its discretion require the transferee of a Participant to supply it with written notice of the Participant's death or Disability and to supply it with a copy of the will (in the case of the Participant's death) or such other evidence as the Committee deems necessary to establish the validity of the transfer of an Award. The Committee may also require that the agreement of the transferee to be bound by all of the terms and conditions of the Plan and the applicable Award Agreement.

13.14 **Section 16(b) of the Exchange Act**. All elections and transactions under the Plan by persons subject to Section 16 of the Exchange Act involving shares of Common Stock are intended to comply with any applicable exemptive condition under Rule 16b-3. The Committee may establish and adopt written administrative guidelines, designed to facilitate compliance with Section 16(b) of the Exchange Act, as it may deem necessary or proper for the administration and operation of the Plan and the transaction of business thereunder.

13.15 **Section 409A of the Code**. The Plan is intended to comply with the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent. To the extent that any Award is subject to Section 409A of the Code, it shall be paid in a manner that will comply with Section 409A of the Code, including proposed, temporary or final regulations or any other guidance issued by the Secretary of the Treasury and the Internal Revenue Service with respect thereto. Notwithstanding anything herein to the contrary, any provision in the Plan that is inconsistent with Section 409A of the Code shall be deemed to be amended to comply with Section 409A of the Code and to the extent such provision cannot be amended to comply therewith, such provision shall be null and void. The Company shall have no liability to a Participant, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee or the Company and, in the event that any amount or benefit under the Plan becomes subject to penalties under Section 409A of the Code, responsibility for payment of such penalties shall rest solely with the affected Participants and not with the Company. Notwithstanding any contrary provision in the Plan or Award Agreement, any payment(s) of "nonqualified deferred compensation" (within the meaning of Section 409A of the Code) that are otherwise required to be made under the Plan to a "specified employee" (as defined under Section 409A of the Code) as a result of such employee's separation from service (other than a payment that is not subject to Section 409A of the Code) shall be delayed for the first six (6) months following such separation from service (or, if earlier, the date of death of the specified employee) and shall instead be paid (in a manner set forth in the Award Agreement) upon expiration of such delay period.

13.16 **Successors and Assigns**. The Plan and any applicable Award Agreement(s) shall be binding on all successors and permitted assigns of a Participant, including, without limitation, the estate of such Participant and the executor, administrator or trustee of such estate.

13.17 **Severability of Provisions**. If any provision of the Plan or any Award Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and the Plan and/or Award Agreement shall be construed and enforced as if such provisions had not been included.

13.18 **Payments to Minors, Etc**. Any benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receipt thereof shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Committee, the Board, the Company, its Affiliates and their officers, directors/managers, employees, agents and representatives with respect thereto.

13.19 **Headings and Captions**. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

13.20 **Company Recoupment of Awards**. A Participant's rights with respect to any Award hereunder shall in all events be subject to any right or obligation that the Company may have regarding the clawback of "incentive-based compensation" under Section 10D of the Exchange Act and any applicable rules and regulations promulgated thereunder from time to time by the U.S. Securities and Exchange Commission.

ARTICLE 14
EFFECTIVE DATE OF PLAN

The Plan shall become effective upon its adoption by the Board.

ARTICLE 15
TERM OF PLAN

No Award shall be granted pursuant to the Plan on or after June 15, 2027, but Awards granted prior to such date may extend beyond that date.

ARTICLE 16
NAME OF PLAN

The Plan shall be known as the "Berry Petroleum Corporation 2017 Omnibus Incentive Plan."

RESTRICTED STOCK UNIT AWARD AGREEMENT
PURSUANT TO THE
BERRY PETROLEUM CORPORATION 2017 OMNIBUS INCENTIVE PLAN

* * * * *

Participant:	_____
Grant Date:	_____
Number of Restricted Stock Units ("RSUs"):	_____
Vesting Schedule:	1/3 Per Year on the 12 month anniversary of the date of grant

* * * * *

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (this "Agreement") dated as of the Grant Date specified above ("Grant Date"), is entered into by and between Berry Petroleum Corporation, a corporation organized in the State of Delaware (the "Company"), and the Participant specified above, pursuant to the Berry Petroleum Corporation 2017 Omnibus Incentive Plan, as in effect and as amended from time to time (the "Plan").

WHEREAS, the Committee has determined that it would be in the best interests of the Company and its stockholders to grant this award (this "Award") of Restricted Stock Units ("RSUs") to the Participant.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth and for other good and valuable consideration, the parties hereto hereby mutually covenant and agree as follows:

1. **Incorporation By Reference; Plan Document Receipt**. Except as specifically provided herein, this Agreement is subject in all respects to the terms and provisions of the Plan (including, without limitation, any amendments thereto adopted at any time and from time to time unless such amendments are expressly intended not to apply to this Award), all of which terms and provisions are made a part of and incorporated in this Agreement as if they were each expressly set forth herein. Except as provided otherwise herein, any capitalized term not defined in this Agreement shall have the same meaning as is ascribed thereto in the Plan. The Participant hereby acknowledges receipt of a true copy of the Plan and that the Participant has read the Plan carefully and fully understands its content. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement shall control.

2. **Grant of RSUs**. The Company hereby grants to the Participant, on the Grant Date, the number of RSUs set forth above. Subject to the terms of this Agreement and the Plan, each RSU, to the extent it becomes a vested RSU in accordance with the Vesting Conditions set forth above, represents the right to receive one (1) share of Common Stock. Unless and until an RSU becomes vested, the Participant will have no right to settlement of such RSU. Except as otherwise provided by the Plan, the Participant agrees and understands that nothing contained in this Agreement provides, or is intended to provide, the Participant with any protection against potential future dilution of the Participant's interest in the Company for any reason, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of the shares of Common Stock underlying the RSUs, except as otherwise specifically provided for in the Plan or this Agreement.

3. **Vesting; Forfeiture**.

(a) Vesting Generally. Except as otherwise provided in this Section 3, the RSUs subject to this Award shall become vested in accordance with the vesting schedule set forth on page 1.

(b) Death or Disability. In the event of the Participant's Termination by reason of death or Disability, the Participant will immediately and fully vest in one hundred percent (100%) of the RSUs subject to this Award.

(c) Termination. In the event of the Participant's Termination by the Company or other employing Affiliate or by the Participant any unvested RSUs subject to this Award shall be immediately forfeited and cancelled for no consideration upon the Participant's Termination of employment.

(d) Committee Discretion to Accelerate Vesting. In addition to the foregoing, the Committee may, in its sole discretion, accelerate vesting of the RSUs at any time and for any reason.

(e) Forfeiture. All outstanding unvested RSUs shall be immediately forfeited and cancelled for no consideration upon the Participant's Termination of employment.

(f) Change in Control. All outstanding unvested RSUs subject to this Award shall become fully and immediately vested upon the consummation of a Change in Control.

4. **Delivery of Shares**.

(a) General. Subject to the provisions of Section 4(b) hereof, within thirty (30) days following the vesting of the RSUs, the Participant shall receive the number of shares of Common Stock that correspond to the number of RSUs that have become vested on the applicable vesting date, less any shares of Common Stock withheld by the Company pursuant to Section 9 hereof.

(b) Blackout Periods. If the Participant is subject to any Company "blackout" policy or other trading restriction imposed by the Company on the date such distribution would otherwise be made pursuant to Section 4(a) hereof, such distribution shall be instead made on the earlier of (i) the date that the Participant is not subject to any such policy or restriction and (ii) the later of (A) the end of the calendar year in which such distribution would otherwise have been made and (B) a date that is immediately prior to the expiration of two and one-half months following the date such distribution would otherwise have been made hereunder.

5. **Dividends; Rights as Stockholder**. Cash dividends on the number of shares of Common Stock issuable hereunder shall be credited to a dividend book entry account on behalf of the Participant with respect to each RSU granted to the Participant, *provided* that such cash dividends shall not be deemed to be reinvested in shares of Common Stock and shall be held uninvested and without interest and paid in cash at the same time that the shares of Common Stock underlying the RSUs are delivered to the Participant in accordance with the provisions hereof. Stock or property dividends on shares of Common Stock shall be credited to a dividend book entry account on behalf of the Participant with respect to each RSU granted to the Participant, provided that such stock or property dividends shall be paid in (i) shares of Common Stock, (ii) in the case of a spin-off, shares of stock of the entity that is spun-off from the Company, or (iii) other property, as applicable and in each case, at the same time that the shares of Common Stock underlying the RSUs are delivered to the Participant in accordance with the provisions hereof. Except as otherwise provided herein, the Participant shall have no rights as a stockholder with respect to any shares of Common Stock covered by any RSU unless and until the Participant has become the holder of record of such shares.

6. **Non-Transferability**. No portion of the RSUs may be sold, assigned, transferred, encumbered, hypothecated or pledged by the Participant, other than to the Company as a result of forfeiture of the RSUs as provided herein.

7. **Restrictive Covenants**. None.

8. **Governing Law**. All questions concerning the construction, validity and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to the choice of law principles thereof.

9. **Withholding of Tax**. The Participant agrees and acknowledges that the Company shall have the power and the right to deduct or withhold, or require the Participant to remit to the Company, an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its good faith discretion, deems necessary to be withheld or remitted to comply with the Code and/or any other applicable law, rule or regulation with respect to the RSUs, and if the withholding requirement cannot be satisfied, the Company may otherwise refuse to issue or transfer any shares of Common Stock otherwise required to be issued pursuant to this Agreement. Without limiting the foregoing, if the Common Stock is not listed for trading on a national exchange at the time of vesting and/or settlement of the RSUs, then at the Participant's election, the Company shall withhold shares of Common Stock otherwise deliverable to the Participant hereunder with a Fair Market Value equal to the Participant's total income and employment taxes imposed as a result of the vesting and/or settlement of the RSUs, but only to the extent permitted by applicable accounting rules so as not to affect accounting treatment.

10. **Legend**. The Company may at any time place legends referencing any applicable federal, state or foreign securities law restrictions on all certificates, if any, representing shares of Common Stock issued pursuant to this Agreement. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates, if any, representing shares of Common Stock acquired pursuant to this Agreement in the possession of the Participant in order to carry out the provisions of this Section 10.

11. **Securities Representations**. This Agreement is being entered into by the Company in reliance upon the following express representations and warranties of the Participant. The Participant hereby acknowledges, represents and warrants that:

(a) The Participant has been advised that the Participant may be an "affiliate" within the meaning of Rule 144 under the Securities Act and in this connection the Company is relying in part on the Participant's representations set forth in this Section 11.

(b) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the shares of Common Stock issuable hereunder must be held indefinitely unless an exemption from any applicable resale restrictions is available or the Company files an additional registration statement (or a ''re-offer prospectus") with regard to such shares of Common Stock and the Company is under no obligation to register such shares of Common Stock (or to file a "re-offer prospectus").

(c) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the Participant understands that (i) the exemption from registration under Rule 144 will not be available unless (A) a public trading market then exists for the Common Stock of the Company, (B) adequate information concerning the Company is then available to the public, and (C) other terms and conditions of Rule 144 or any exemption therefrom are complied with, and (ii) any sale of the shares of Common Stock issuable hereunder may be made only in limited amounts in accordance with the terms and conditions of Rule 144 or any exemption therefrom.

12. **No Waiver**. No waiver or non-action by either party hereto with respect to any breach by the other party of any provision of this Agreement shall be deemed or construed to be a waiver of any succeeding breach of such provision, or as a waiver of the provision itself.

13. **Entire Agreement; Amendment**. This Agreement, together with the Plan, contains the entire agreement between the parties hereto with respect to the subject matter contained herein, and supersedes all prior agreements or prior understandings, whether written or oral, between the parties relating to such subject matter. The Committee shall have the right, in its sole discretion, to modify or amend this Agreement from time to time in accordance with and as provided in the Plan. This Agreement may also be modified or amended by a writing signed by both the Company and the Participant. The Company shall give written notice to the Participant of any such modification or amendment of this Agreement as soon as practicable after the adoption thereof.

14. **Notices**. Any notice hereunder by the Participant shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof by the Chairman of the Board of Directors of the Company. Any notice hereunder by the Company shall be given to the Participant in writing and such notice shall be deemed duly given only upon receipt thereof at such address as the Participant may have on file with the Company.

15. **No Right to Employment or Service**. Nothing in this Agreement shall interfere with or limit in any way the right of the Company, its Subsidiaries or its Affiliates to terminate the Participant's employment or service at any time, for any reason and with or without Cause, in accordance with and subject to the terms and conditions of the Employment Agreement.

16. **Transfer of Personal Data**. The Participant authorizes, agrees and unambiguously consents to the transmission by the Company (or any Subsidiary) of any personal data information related to the RSUs awarded under this Agreement for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

17. **Compliance with Laws**. The grant of RSUs and the issuance of shares of Common Stock hereunder shall be subject to, and shall comply with, any applicable requirements of any foreign and U.S. federal and state securities laws, rules and regulations (including, without limitation, the provisions of the Securities Act, the Exchange Act and in each case any respective rules and regulations promulgated thereunder) and any other law, rule regulation or exchange requirement applicable thereto. The Company shall not be obligated to issue the RSUs or any shares of Common Stock pursuant to this Agreement if any such issuance would violate any such requirements. As a condition to the settlement of the RSUs, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation.

18. **Binding Agreement; Assignment**. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Company and its successors and assigns. The Participant shall not assign any part of this Agreement without the prior express written consent of the Company.

19. **Headings**. The titles and 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.

20. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

21. **Further Assurances**. Each party hereto shall do and perform (or shall cause to be done and performed) all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as either party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the Plan and the consummation of the transactions contemplated thereunder; provided that no such additional documents shall contain terms or conditions inconsistent with the terms and conditions of this Agreement.

22. **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.

23. **Acquired Rights**. The Participant acknowledges and agrees that: (a) the Company may terminate or amend the Plan at any time; (b) the award of RSUs made under this Agreement is completely independent of any other award or grant and is made at the sole discretion of the Company; (c) no past grants or awards (including, without limitation, the RSUs awarded hereunder) give the Participant any right to any grants or awards in the future whatsoever; and (d) any benefits granted under this Agreement are not part of the Participant's ordinary salary, and shall not be considered as part of such salary in the event of severance, redundancy or resignation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this 1st day of September, 2017.

BERRY PETROLEUM CORPORATION

By: _____
Name: Arthur T. Smith
Title: President and CEO

PARTICIPANT

_____
Name: [ ]

RESTRICTED STOCK UNIT AWARD AGREEMENT
PURSUANT TO THE
BERRY PETROLEUM CORPORATION 2017 OMNIBUS INCENTIVE PLAN

*** * * * ***

Participant:	_____
Grant Date:	_____
Number of Restricted Stock Units ("RSUs"):	_____
Vesting Conditions:	Subject to Section 3 hereof, the RSUs will become fully vested on the date of the first regularly scheduled annual meeting of the stockholders of Berry Petroleum Corporation to occur after the Grant Date.

*** * * * ***

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (this "Agreement") dated as of the Grant Date specified above ("Grant Date"), is entered into by and between Berry Petroleum Corporation, a corporation organized in the State of Delaware (the "Company"), and the Participant specified above, pursuant to the Berry Petroleum Corporation 2017 Omnibus Incentive Plan, as in effect and as amended from time to time (the "Plan").

WHEREAS, the Participant is a non-employee member of the Company's Board of Directors (the "Board"); and

WHEREAS, in accordance with the Company's non-employee director compensation policy, as approved by the Board, the Participant is annually entitled to receive an equity award of RSUs in consideration of the services rendered and to be rendered by him;

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth and for other good and valuable consideration, the parties hereto hereby mutually covenant and agree as follows:

1. **Incorporation By Reference; Plan Document Receipt**. Except as specifically provided herein, this Agreement is subject in all respects to the terms and provisions of the Plan (including, without limitation, any amendments thereto adopted at any time and from time to time unless such amendments are expressly intended not to apply to this Award), all of which terms and provisions are made a part of and incorporated in this Agreement as if they were each expressly set forth herein. Except as provided otherwise herein, any capitalized term not defined in this Agreement shall have the same meaning as is ascribed thereto in the Plan. The Participant hereby acknowledges receipt of a true copy of the Plan and that the Participant has read the Plan carefully and fully understands its content. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement shall control.

2. **Grant of RSUs**. The Company hereby grants to the Participant, on the Grant Date, the number of RSUs set forth above. Subject to the terms of this Agreement and the Plan, each RSU, to the extent it becomes a vested RSU in accordance with the Vesting Conditions set forth under Vesting Conditions above, represents the right to receive one (1) share of Common Stock. Unless and until an RSU becomes vested, the Participant will have no right to settlement of such RSU. Except as otherwise provided by the Plan, the Participant agrees and understands that nothing contained in this Agreement provides, or is intended to provide, the Participant with any protection against potential future dilution of the Participant's interest in the Company for any reason, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of the shares of Common Stock underlying the RSUs, except as otherwise specifically provided for in the Plan or this Agreement.

3. **Vesting; Forfeiture**.

(a) Vesting Generally. Except as otherwise provided in this Section 3, the RSUs subject to this Award shall become vested in accordance with the vesting schedule set forth under Vesting Conditions above.

(b) Death or Disability. If the Participant's service with the Board terminates by reason of the Participant's death or his resignation due to Disability, the Participant will immediately and fully vest in one hundred percent (100%) of the RSUs subject to this Award.

(c) Termination of Service. If the Participant's service with the Board terminates for any reason other than as described in Section 3(b) hereof, all RSUs subject to this Award that are outstanding and unvested as of the date of such termination shall be immediately forfeited and cancelled without consideration to the Participant.

(d) Change in Control. All outstanding unvested RSUs subject to this Award shall become fully and immediately vested upon the consummation of a Change in Control.

4. **Delivery of Shares**.

(a) General. Subject to the provisions of Section 4(b) hereof, within thirty (30) days following the vesting of the RSUs, the Participant shall receive the number of shares of Common Stock that correspond to the number of RSUs that have become vested on the applicable vesting date, less any shares of Common Stock withheld by the Company pursuant to Section 8 hereof.

(b) Blackout Periods. If the Participant is subject to any Company "blackout" policy or other trading restriction imposed by the Company on the date such distribution would otherwise be made pursuant to Section 4(a) hereof, such distribution shall be instead made on the earlier of (i) the date that the Participant is not subject to any such policy or restriction and (ii) the later of (A) the end of the calendar year in which such distribution would otherwise have been made and (B) a date that is immediately prior to the expiration of two and one-half months following the date such distribution would otherwise have been made hereunder.

5. **Dividends; Rights as Stockholder**. Cash dividends on the number of shares of Common Stock issuable hereunder shall be credited to a dividend book entry account on behalf of

the Participant with respect to each RSU granted to the Participant, *provided* that such cash dividends shall not be deemed to be reinvested in shares of Common Stock and shall be held uninvested and without interest and paid in cash at the same time that the shares of Common Stock underlying the RSUs are delivered to the Participant in accordance with the provisions hereof. Stock or property dividends on shares of Common Stock shall be credited to a dividend book entry account on behalf of the Participant with respect to each RSU granted to the Participant, *provided* that such stock or property dividends shall be paid in (i) shares of Common Stock, (ii) in the case of a spin-off, shares of stock of the entity that is spun-off from the Company, or (iii) other property, as applicable and in each case, at the same time that the shares of Common Stock underlying the RSUs are delivered to the Participant in accordance with the provisions hereof. Except as otherwise provided herein, the Participant shall have no rights as a stockholder with respect to any shares of Common Stock covered by any RSU unless and until the Participant has become the holder of record of such shares.

6. **Non-Transferability**. No portion of the RSUs may be sold, assigned, transferred, encumbered, hypothecated or pledged by the Participant, other than to the Company as a result of forfeiture of the RSUs as provided herein.

7. **Governing Law**. All questions concerning the construction, validity and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to the choice of law principles thereof.

8. **Taxes**. The Participant shall be responsible for all taxes arising from the grant, vesting, or settlement of this Award, and the subsequent sale of any shares of Common Stock received hereunder. No taxes will be deducted or withheld by the Company. The Participant acknowledges and agrees that no oral or written representation of fact or opinion has been made to him by the Company or its attorneys regarding the tax treatment or consequences of the grant, vesting, or settlement of this Award, or the subsequent sale of any shares of Common Stock received hereunder.

9. **Legend**. The Company may at any time place legends referencing any applicable federal, state or foreign securities law restrictions on all certificates, if any, representing shares of Common Stock issued pursuant to this Agreement. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates, if any, representing shares of Common Stock acquired pursuant to this Agreement in the possession of the Participant in order to carry out the provisions of this Section 9.

10. **Securities Representations**. This Agreement is being entered into by the Company in reliance upon the following express representations and warranties of the Participant. The Participant hereby acknowledges, represents and warrants that:

(a) The Participant has been advised that the Participant may be an “affiliate” within the meaning of Rule 144 under the Securities Act and in this connection the Company is relying in part on the Participant’s representations set forth in this Section 10.

(b) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the shares of Common Stock issuable hereunder must be held indefinitely unless

an exemption from any applicable resale restrictions is available or the Company files an additional registration statement (or a "re-offer prospectus") with regard to such shares of Common Stock and the Company is under no obligation to register such shares of Common Stock (or to file a "re-offer prospectus").

(c) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the Participant understands that (i) the exemption from registration under Rule 144 will not be available unless (A) a public trading market then exists for the Common Stock of the Company, (B) adequate information concerning the Company is then available to the public, and (C) other terms and conditions of Rule 144 or any exemption therefrom are complied with, and (ii) any sale of the shares of Common Stock issuable hereunder may be made only in limited amounts in accordance with the terms and conditions of Rule 144 or any exemption therefrom.

11. **No Waiver**. No waiver or non-action by either party hereto with respect to any breach by the other party of any provision of this Agreement shall be deemed or construed to be a waiver of any succeeding breach of such provision, or as a waiver of the provision itself.

12. **Entire Agreement; Amendment**. This Agreement, together with the Plan, contains the entire agreement between the parties hereto with respect to the subject matter contained herein, and supersedes all prior agreements or prior understandings, whether written or oral, between the parties relating to such subject matter. The Committee shall have the right, in its sole discretion, to modify or amend this Agreement from time to time in accordance with and as provided in the Plan. This Agreement may also be modified or amended by a writing signed by both the Company and the Participant. The Company shall give written notice to the Participant of any such modification or amendment of this Agreement as soon as practicable after the adoption thereof. By accepting this Award, between the Participant and the Company, the Participant acknowledges and agrees that he has timely received his award as provided for under the Company's Director Compensation Guidelines.

13. **Notices**. Any notice hereunder by the Participant shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof by the Chairman of the Board of Directors of the Company. Any notice hereunder by the Company shall be given to the Participant in writing and such notice shall be deemed duly given only upon receipt thereof at such address as the Participant may have on file with the Company.

14. **No Right to Employment or Service**. Nothing in this Agreement shall interfere with or limit in any way the right of the Company, its Subsidiaries or its Affiliates to terminate the Participant's employment or service at any time, for any reason and with or without Cause, in accordance with and subject to the terms and conditions of the Employment Agreement.

15. **Transfer of Personal Data**. The Participant authorizes, agrees and unambiguously consents to the transmission by the Company (or any Subsidiary) of any personal data information related to the RSUs awarded under this Agreement for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

16. **Compliance with Laws**. The grant of RSUs and the issuance of shares of Common Stock hereunder shall be subject to, and shall comply with, any applicable requirements of any foreign and U.S. federal and state securities laws, rules and regulations (including, without limitation, the provisions of the Securities Act, the Exchange Act and in each case any respective rules and regulations promulgated thereunder) and any other law, rule regulation or exchange requirement applicable thereto. The Company shall not be obligated to issue the RSUs or any shares of Common Stock pursuant to this Agreement if any such issuance would violate any such requirements. As a condition to the settlement of the RSUs, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation.

17. **Binding Agreement; Assignment**. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Company and its successors and assigns. The Participant shall not assign any part of this Agreement without the prior express written consent of the Company.

18. **Headings**. The titles and 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.

19. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

20. **Further Assurances**. Each party hereto shall do and perform (or shall cause to be done and performed) all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as either party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the Plan and the consummation of the transactions contemplated thereunder; *provided* that no such additional documents shall contain terms or conditions inconsistent with the terms and conditions of this Agreement.

21. **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.

22. **Acquired Rights**. The Participant acknowledges and agrees that: (a) the Company may terminate or amend the Plan at any time; (b) the award of RSUs made under this Agreement is completely independent of any other award or grant and is made at the sole discretion of the Company; (c) no past grants or awards (including, without limitation, the RSUs awarded hereunder) give the Participant any right to any grants or awards in the future whatsoever; and (d) any benefits granted under this Agreement are not part of the Participant's ordinary salary, and shall not be considered as part of such salary in the event of severance, redundancy or resignation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this __ day of _____, 20__.

BERRY PETROLEUM CORPORATION

By: _____
Name: Brent Buckley
Title: Chairman of the Board of Directors

PARTICIPANT

_____
Name:

PERFORMANCE-BASED RESTRICTED STOCK UNIT AWARD AGREEMENT
PURSUANT TO THE
BERRY PETROLEUM CORPORATION 2017 OMNIBUS INCENTIVE PLAN

* * * * *

Participant:	_____
Grant Date:	_____
Number of Performance-Based Restricted Stock Units ("PRSUs"):	_____
Performance Vesting Conditions:	See Exhibit A
Performance Period:	September 1, 2017 through August 31, 2020 (except as otherwise provided in Section 3(c) below)

* * * * *

THIS PERFORMANCE-BASED RESTRICTED STOCK UNIT AWARD AGREEMENT (this "Agreement") dated as of the Grant Date specified above ("Grant Date"), is entered into by and between Berry Petroleum Corporation, a corporation organized in the State of Delaware (the "Company"), and the Participant specified above, pursuant to the Berry Petroleum Corporation 2017 Omnibus Incentive Plan, as in effect and as amended from time to time (the "Plan").

WHEREAS, the Committee has determined that it would be in the best interests of the Company and its stockholders to grant this award (this "Award") of Performance-Based Restricted Stock Units ("PRSUs") to the Participant.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth and for other good and valuable consideration, the parties hereto hereby mutually covenant and agree as follows:

1. **Incorporation By Reference; Plan Document Receipt**. Except as specifically provided herein, this Agreement is subject in all respects to the terms and provisions of the Plan (including, without limitation, any amendments thereto adopted at any time and from time to time unless such amendments are expressly intended not to apply to this Award), all of which terms and provisions are made a part of and incorporated in this Agreement as if they were each expressly set forth herein. Except as provided otherwise herein, any capitalized term not defined in this Agreement shall have the same meaning as is ascribed thereto in the Plan. The Participant hereby acknowledges receipt of a true copy of the Plan and that the Participant has read the Plan carefully and fully understands its content. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of this Agreement shall control.

2. **Grant of PRSUs**. The Company hereby grants to the Participant, on the Grant Date, the number of PRSUs set forth above, which, depending on the extent to which the Performance Vesting Conditions (as set forth in Exhibit A) are satisfied, may result in the Participant earning as few as zero (0) percent or as many as one hundred percent (100%) of the PRSUs subject to this Award. Subject to the terms of this Agreement and the Plan, each PRSU, to the extent it becomes a vested PRSU, represents the right to receive one (1) share of Common Stock. Unless and until a PRSU becomes vested, the Participant will have no right to settlement of such PRSU. Except as otherwise provided by the Plan, the Participant agrees and

understands that nothing contained in this Agreement provides, or is intended to provide, the Participant with any protection against potential future dilution of the Participant's interest in the Company for any reason, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of the shares of Common Stock underlying the PRSUs, except as otherwise specifically provided for in the Plan or this Agreement.

3. **Vesting; Forfeiture**.

(a) Vesting Generally. Except as otherwise provided in this Section 3, the PRSUs subject to this Award shall become vested in accordance with the Performance Vesting Conditions set forth on Exhibit A hereto.

(b) Death or Disability. In the event of the Participant's Termination by reason of death or Disability, the Participant will immediately and fully vest in one hundred percent (100%) of the PRSUs subject to this Award.

(c) Termination. Termination by the Company or other employing Affiliate or by the Participant any unvested RSUs subject to this Award shall be immediately forfeited and cancelled for no consideration upon the Participant's Termination of employment.

(d) Committee Discretion to Accelerate Vesting. In addition to the foregoing, the Committee may, in its sole discretion, accelerate vesting of the PRSUs at any time and for any reason.

(e) Forfeiture. All outstanding unvested RSUs shall be immediately forfeited and cancelled for no consideration upon the Participant's Termination of employment.

(f) Change in Control. All outstanding unvested PRSUs subject to this Award shall become fully and immediately vested upon the consummation of a Change in Control.

4. **Delivery of Shares**.

(a) General. Subject to the provisions of Section 4(b) hereof, within thirty (30) days following the vesting of the PRSUs, the Participant shall receive the number of shares of Common Stock that correspond to the number of PRSUs that have become vested on the applicable vesting date, less any shares of Common Stock withheld by the Company pursuant to Section 9 hereof.

(b) Blackout Periods. If the Participant is subject to any Company "blackout" policy or other trading restriction imposed by the Company on the date such distribution would otherwise be made pursuant to Section 4(a) hereof, such distribution shall be instead made on the earlier of (i) the date that the Participant is not subject to any such policy or restriction and (ii) the later of (A) the end of the calendar year in which such distribution would otherwise have been made and (B) a date that is immediately prior to the expiration of two and one-half months following the date such distribution would otherwise have been made hereunder.

5. **Dividends; Rights as Stockholder**. Cash dividends on the number of shares of Common Stock issuable hereunder shall be credited to a dividend book entry account on behalf of the Participant with respect to each PRSU granted to the Participant, *provided* that such cash dividends shall not be deemed to be reinvested in shares of Common Stock and shall be held uninvested and without interest and paid in cash at the same time that the shares of Common Stock underlying the PRSUs are delivered to the Participant in accordance with the provisions hereof. Stock or property dividends on shares of Common Stock shall be credited to a dividend book entry account on behalf of the Participant with respect to each PRSU granted to

the Participant, provided that such stock or property dividends shall be paid in (i) shares of Common Stock, (ii) in the case of a spin-off, shares of stock of the entity that is spun-off from the Company, or (iii) other property, as applicable and in each case, at the same time that the shares of Common Stock underlying the PRSUs are delivered to the Participant in accordance with the provisions hereof. Except as otherwise provided herein, the Participant shall have no rights as a stockholder with respect to any shares of Common Stock covered by any PRSU unless and until the Participant has become the holder of record of such shares.

6. **Non-Transferability**. No portion of the PRSUs may be sold, assigned, transferred, encumbered, hypothecated or pledged by the Participant, other than to the Company as a result of forfeiture of the PRSUs as provided herein.

7. **Restrictive Covenants**. As a condition precedent to the Participant's receipt of the PRSUs issued hereunder, the Participant agrees to continue to be bound by the restrictive covenant obligations set forth in that certain employment agreement dated as of May 5, 2017, and effective May 29, 2017 by and between the Participant, the Company, and Berry Petroleum Company, LLC (the "Employment Agreement").

8. **Governing Law**. All questions concerning the construction, validity and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to the choice of law principles thereof.

9. **Withholding of Tax**. The Participant agrees and acknowledges that the Company shall have the power and the right to deduct or withhold, or require the Participant to remit to the Company, an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its good faith discretion, deems necessary to be withheld or remitted to comply with the Code and/or any other applicable law, rule or regulation with respect to the PRSUs, and if the withholding requirement cannot be satisfied, the Company may otherwise refuse to issue or transfer any shares of Common Stock otherwise required to be issued pursuant to this Agreement. Without limiting the foregoing, if the Common Stock is not listed for trading on a national exchange at the time of vesting and/or settlement of the PRSUs, then at the Participant's election, the Company shall withhold shares of Common Stock otherwise deliverable to the Participant hereunder with a Fair Market Value equal to the Participant's total income and employment taxes imposed as a result of the vesting and/or settlement of the PRSUs, but only to the extent permitted by applicable accounting rules so as not to affect accounting treatment.

10. **Legend**. The Company may at any time place legends referencing any applicable federal, state or foreign securities law restrictions on all certificates, if any, representing shares of Common Stock issued pursuant to this Agreement. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates, if any, representing shares of Common Stock acquired pursuant to this Agreement in the possession of the Participant in order to carry out the provisions of this Section 10.

11. **Securities Representations**. This Agreement is being entered into by the Company in reliance upon the following express representations and warranties of the Participant. The Participant hereby acknowledges, represents and warrants that:

(a) The Participant has been advised that the Participant may be an "affiliate" within the meaning of Rule 144 under the Securities Act and in this connection the Company is relying in part on the Participant's representations set forth in this Section 11.

(b) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the shares of Common Stock issuable hereunder must be held indefinitely unless an exemption from any applicable resale restrictions is available or the Company files an additional registration statement

(or a ‘‘re-offer prospectus”) with regard to such shares of Common Stock and the Company is under no obligation to register such shares of Common Stock (or to file a “re-offer prospectus”).

(c) If the Participant is deemed an affiliate within the meaning of Rule 144 of the Securities Act, the Participant understands that (i) the exemption from registration under Rule 144 will not be available unless (A) a public trading market then exists for the Common Stock of the Company, (B) adequate information concerning the Company is then available to the public, and (C) other terms and conditions of Rule 144 or any exemption therefrom are complied with, and (ii) any sale of the shares of Common Stock issuable hereunder may be made only in limited amounts in accordance with the terms and conditions of Rule 144 or any exemption therefrom.

12. **No Waiver**. No waiver or non-action by either party hereto with respect to any breach by the other party of any provision of this Agreement shall be deemed or construed to be a waiver of any succeeding breach of such provision, or as a waiver of the provision itself.

13. **Entire Agreement; Amendment**. This Agreement, together with the Plan, contains the entire agreement between the parties hereto with respect to the subject matter contained herein, and supersedes all prior agreements or prior understandings, whether written or oral, between the parties relating to such subject matter. The Committee shall have the right, in its sole discretion, to modify or amend this Agreement from time to time in accordance with and as provided in the Plan. This Agreement may also be modified or amended by a writing signed by both the Company and the Participant. The Company shall give written notice to the Participant of any such modification or amendment of this Agreement as soon as practicable after the adoption thereof.

14. **Notices**. Any notice hereunder by the Participant shall be given to the Company in writing and such notice shall be deemed duly given only upon receipt thereof by the Chairman of the Board of Directors of the Company. Any notice hereunder by the Company shall be given to the Participant in writing and such notice shall be deemed duly given only upon receipt thereof at such address as the Participant may have on file with the Company.

15. **No Right to Employment or Service**. Nothing in this Agreement shall interfere with or limit in any way the right of the Company, its Subsidiaries or its Affiliates to terminate the Participant’s employment or service at any time, for any reason and with or without Cause, in accordance with and subject to the terms and conditions of the Employment Agreement.

16. **Transfer of Personal Data**. The Participant authorizes, agrees and unambiguously consents to the transmission by the Company (or any Subsidiary) of any personal data information related to the PRSUs awarded under this Agreement for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

17. **Compliance with Laws**. The grant of PRSUs and the issuance of shares of Common Stock hereunder shall be subject to, and shall comply with, any applicable requirements of any foreign and U.S. federal and state securities laws, rules and regulations (including, without limitation, the provisions of the Securities Act, the Exchange Act and in each case any respective rules and regulations promulgated thereunder) and any other law, rule regulation or exchange requirement applicable thereto. The Company shall not be obligated to issue the PRSUs or any shares of Common Stock pursuant to this Agreement if any such issuance would violate any such requirements. As a condition to the settlement of the PRSUs, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation.

18. **Binding Agreement; Assignment**. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Company and its successors and assigns. The Participant shall not assign any part of this Agreement without the prior express written consent of the Company.

19. **Headings**. The titles and 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.

20. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

21. **Further Assurances**. Each party hereto shall do and perform (or shall cause to be done and performed) all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as either party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the Plan and the consummation of the transactions contemplated thereunder; provided that no such additional documents shall contain terms or conditions inconsistent with the terms and conditions of this Agreement.

22. **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.

23. **Acquired Rights**. The Participant acknowledges and agrees that: (a) the Company may terminate or amend the Plan at any time; (b) the award of PRSUs made under this Agreement is completely independent of any other award or grant and is made at the sole discretion of the Company; (c) no past grants or awards (including, without limitation, the PRSUs awarded hereunder) give the Participant any right to any grants or awards in the future whatsoever; and (d) any benefits granted under this Agreement are not part of the Participant's ordinary salary, and shall not be considered as part of such salary in the event of severance, redundancy or resignation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this 1st day of September, 2017.

BERRY PETROLEUM CORPORATION

By: _____
Name: Arthur T. Smith
Title: President and CEO

PARTICIPANT

_____
Name: [ ]

EXHIBIT A

PERFORMANCE VESTING CONDITIONS

1. [ ] of the PRSUs subject to this Award will vest if the volume weighted average price per share ("VWAP") of the Common Stock equals or exceeds $13.00 for thirty (30) consecutive trading days during the Performance Period;

2. [ ] of the PRSUs subject to this Award will vest if the VWAP of the Common Stock equals or exceeds $15.00 for thirty (30) consecutive trading days during the Performance Period; and

3. [ ] of the PRSUs subject to this Award will vest if the VWAP of the Common Stock equals or exceeds $17.00 for thirty (30) consecutive trading days during the Performance Period.

All unvested PRSUs subject to this Award that are outstanding as of the date immediately following the last day of the Performance Period shall be forfeited and cancelled for no consideration.

BERRY PETROLEUM CORPORATION
2017 OMNIBUS INCENTIVE PLAN

(As Amended and Restated Effective as of June 27, 2018)

1. **Purpose**.

(a) The purpose of the Berry Petroleum Corporation 2017 Omnibus Incentive Plan (the "***Plan***") is to provide a means through which (a) Berry Petroleum Corporation, a Delaware corporation (the "***Company***"), and its Affiliates may attract, retain and motivate qualified persons as employees, directors and consultants, thereby enhancing the profitable growth of the Company and its Affiliates and (b) persons upon whom the responsibilities of the successful administration and management of the Company and its Affiliates rest, and whose present and potential contributions to the Company and its Affiliates are of importance, can acquire and maintain stock ownership or awards the value of which is tied to the performance of the Company, thereby strengthening their concern for the Company and its Affiliates. Accordingly, the Plan provides for the grant of Options, SARs, Restricted Stock, Restricted Stock Units, Stock Awards, Dividend Equivalents, Other Stock-Based Awards, Cash Awards, Substitute Awards, or any combination of the foregoing, as determined by the Committee in its sole discretion.

(b) The Plan as set forth herein constitutes an amendment and restatement of the Plan as in effect immediately prior to the Effective Date (the "***Prior Plan***"). The Prior Plan constituted an amendment and restatement of the Plan originally adopted as of June 15, 2017 (the "***2017 Plan***"). Except as provided in the following sentence, the Plan shall supersede and replace in its entirety the Prior Plan. Notwithstanding any provisions herein to the contrary, each award granted under the 2017 Plan or the Prior Plan prior to the Effective Date shall be subject to the terms and provisions applicable to such award under the 2017 Plan or the Prior Plan, as applicable, as in effect as of the date such award was granted.

2. **Definitions**. For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "***Affiliate***" means any corporation, partnership, limited liability company, limited liability partnership, association, trust or other organization that, directly or indirectly, controls, is controlled by, or is under common control with, the Company. For purposes of the preceding sentence, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any entity or organization, shall mean the possession, directly or indirectly, of the power (i) to vote more than 50% of the securities having ordinary voting power for the election of directors of the controlled entity or organization or (ii) to direct or cause the direction of the management and policies of the controlled entity or organization, whether through the ownership of voting securities, by contract, or otherwise.

(b) "***ASC Topic 718***" means the Financial Accounting Standards Board Accounting Standards Codification Topic 718, *Compensation – Stock Compensation*, as amended or any successor accounting standard.

(c) "***Award***" means any Option, SAR, Restricted Stock, Restricted Stock Unit, Stock Award, Dividend Equivalent, Other Stock-Based Award, Cash Award, or Substitute Award, together with any other right or interest, granted under the Plan.

(d) "***Award Agreement***" means any written instrument (including any employment, severance or change in control agreement) that sets forth the terms, conditions, restrictions and/or limitations applicable to an Award, in addition to those set forth under the Plan.

(e) "***Board***" means the Board of Directors of the Company.

(f) "***Cash Award***" means an Award denominated in cash granted under Section 6(i).

(g) "***Change in Control***" means, except as otherwise provided in an Award Agreement or other written agreement with a Participant approved by the Committee, the occurrence of any of the following events:

(i) any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of Stock of the Company), becoming the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities;

(ii) during any period of 24 consecutive calendar months, individuals who were directors of the Company on the first day of such period (the "***Incumbent Directors***") cease for any reason to constitute a majority of the Board; provided, however, that any individual becoming a director subsequent to the first day of such period whose election, or nomination for election, by the Company's stockholders was approved by a vote of at least two-thirds of the Incumbent Directors will be considered as though such individual were an Incumbent Director, but excluding, for purposes of this proviso, any such individual whose initial assumption of office occurs as a result of an actual or threatened proxy contest with respect to election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a "person" (as used in Section 13(d) of the Exchange Act), in each case, other than the Board, which individual, for the avoidance of doubt, shall not be deemed to be an Incumbent Director for purposes of this definition, regardless of whether such individual was approved by a vote of at least two-thirds of the Incumbent Directors;

(iii) consummation of a reorganization, merger, consolidation or other business combination (any of the foregoing, a "***Business Combination***") of the Company or any direct or indirect subsidiary of the Company with any other corporation, in any case with respect to which the Company voting securities outstanding immediately prior to such Business Combination do not, immediately following such Business Combination, continue to represent (either by remaining outstanding or being converted into voting securities of the Company or any ultimate parent thereof) more than 50% of the then outstanding voting securities entitled to vote generally in the election of directors of the Company (or its successor) or any ultimate parent thereof after the Business Combination; or

(iv) (i) a complete liquidation or dissolution of the Company or (ii) the consummation of a sale or disposition of all or substantially all of the assets of the Company and its subsidiaries (on a consolidated basis) in one or a series of related transactions.

Notwithstanding the foregoing, if a Change in Control constitutes a payment event with respect to any portion of an Award that provides for a deferral of compensation under the Nonqualified Deferred Compensation Rules, the transaction or event described in clauses (i), (ii), (iii) or (iv above with respect to such Award (or portion thereof) must also constitute a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by the Nonqualified Deferred Compensation Rules..

(h) "***Change in Control Price***" means the amount determined in the following clause (i), (ii), (iii), (iv) or (v), whichever the Committee determines is applicable, as follows: (i) the price per share offered to holders of Stock in any merger or consolidation, (ii) the per share Fair Market Value of the Stock immediately before the Change in Control or other event without regard to assets sold in the Change in Control or other event and assuming the Company has received the consideration paid for the assets in the case of a sale of the assets, (iii) the amount distributed per share of Stock in a dissolution transaction, (iv) the price per share offered to holders of Stock in any tender offer or exchange offer whereby a Change in Control or other event takes place, or (v) if such Change in Control or other event occurs other than pursuant to a transaction described in clauses (i), (ii), (iii), or (iv) of this Section 2(h), the value per share of the Stock that may otherwise be obtained with respect to such Awards or to which such Awards track, as determined by the Committee as of the date determined by the Committee to be the date of cancellation and surrender of such Awards. In the event that the consideration offered to stockholders of the Company in any transaction described in this Section 2(h) or in Section 8(e) consists of anything other than cash, the Committee shall determine the fair cash equivalent of the portion of the consideration offered which is other than cash and such determination shall be binding on all affected Participants to the extent applicable to Awards held by such Participants.

(i) "***Code***" means the Internal Revenue Code of 1986, as amended from time to time, including the guidance and regulations promulgated thereunder and successor provisions, guidance and regulations thereto.

(j) "***Committee***" means a committee of two or more directors designated by the Board to administer the Plan; provided, however, that, unless otherwise determined by the Board, the Committee shall consist solely of two or more Qualified Members.

(k) "***Dividend Equivalent***" means a right, granted to an Eligible Person under Section 6(g), to receive cash, Stock, other Awards or other property equal in value to dividends paid with respect to a specified number of shares of Stock, or other periodic payments.

(l) "***Effective Date***" means June 27, 2018.

(m) "***Eligible Person***" means any individual who, as of the date of grant of an Award, is an officer or employee of the Company or of any of its Affiliates, and any other person who provides services to the Company or any of its Affiliates, including directors of the Company; provided, however, that, any such individual must be an "employee" of the Company or any of its parents or subsidiaries within the meaning of General Instruction A.1(a) to Form S-8 if such individual is granted an Award that may be settled in Stock. An employee on leave of absence may be an Eligible Person.

(n) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended from time to time, including the guidance, rules and regulations promulgated thereunder and successor provisions, guidance, rules and regulations thereto.

(o) "***Fair Market Value***" of a share of Stock means, as of any specified date, (i) if the Stock is listed on a national securities exchange, the closing sales price of the Stock, as reported on the stock exchange composite tape on that date (or if no sales occur on such date, on the last preceding date on which such sales of the Stock are so reported); (ii) if the Stock is not traded on a national securities exchange but is traded over the counter on such date, the average between the reported high and low bid and asked prices of Stock on the most recent date on which Stock was publicly traded on or preceding the specified date; or (iii) in the event Stock is not publicly traded at the time a determination of its value is required to be made under the Plan, the amount determined by the Committee in its discretion in such manner as it deems appropriate, taking into account all factors the Committee deems appropriate, including the Nonqualified Deferred Compensation Rules. Notwithstanding this definition of Fair Market Value, with respect to one or more Award types, or for any other purpose for which the Committee must determine the Fair Market Value under the Plan, the Committee may elect to choose a different measurement date or methodology for determining Fair Market Value so long as the determination is consistent with the Nonqualified Deferred Compensation Rules and all other applicable laws and regulations.

(p) "***ISO***" means an Option intended to be and designated as an "incentive stock option" within the meaning of Section 422 of the Code.

(q) "***Nonqualified Deferred Compensation Rules***" means the limitations and requirements of Section 409A of the Code, as amended from time to time, including the guidance and regulations promulgated thereunder and successor provisions, guidance and regulations thereto.

(r) "***Nonstatutory Option***" means an Option that is not an ISO.

(s) "***Option***" means a right, granted to an Eligible Person under Section 6(b), to purchase Stock at a specified price during specified time periods, which may either be an ISO or a Nonstatutory Option.

(t) "***Other Stock-Based Award***" means an Award granted to an Eligible Person under Section 6(h).

(u) "***Participant***" means a person who has been granted an Award under the Plan that remains outstanding, including a person who is no longer an Eligible Person.

(v) "***Qualified Member***" means a member of the Board who is (i) a "non-employee director" within the meaning of Rule 16b-3(b)(3), and (ii) "independent" under the listing standards or rules of the securities exchange upon which the Stock is traded, but only to the extent such independence is required in order to take the action at issue pursuant to such standards or rules.

(w) "***Restricted Stock***" means Stock granted to an Eligible Person under Section 6(d) that is subject to certain restrictions and to a risk of forfeiture.

(x) "***Restricted Stock Unit***" means a right, granted to an Eligible Person under Section 6(e), to receive Stock, cash or a combination thereof at the end of a specified period (which may or may not be coterminous with the vesting schedule of the Award).

(y) "***Rule 16b-3***" means Rule 16b-3, promulgated by the SEC under Section 16 of the Exchange Act.

(z) "***SAR***" means a stock appreciation right granted to an Eligible Person under Section 6(c).

(aa) "***SEC***" means the Securities and Exchange Commission.

(bb) "***Securities Act***" means the Securities Act of 1933, as amended from time to time, including the guidance, rules and regulations promulgated thereunder and successor provisions, guidance, rules and regulations thereto.

(cc) "***Stock***" means the Company's Common Stock, par value $0.001 per share, and such other securities as may be substituted (or re-substituted) for Stock pursuant to Section 8.

(dd) "***Stock Award***" means unrestricted shares of Stock granted to an Eligible Person under Section 6(f).

(ee) "***Substitute Award***" means an Award granted under Section 6(j).

3. **Administration**.

(a) Authority of the Committee. The Plan shall be administered by the Committee except to the extent the Board elects to administer the Plan, in which case references herein to the "Committee" shall be deemed to include references to the "Board." Subject to the express provisions of the Plan, Rule 16b-3 and other applicable laws, the Committee shall have the authority, in its sole and absolute discretion, to:

(i) designate Eligible Persons as Participants;

(ii) determine the type or types of Awards to be granted to an Eligible Person;

(iii) determine the number of shares of Stock or amount of cash to be covered by Awards;

(iv) determine the terms and conditions of any Award, including whether, to what extent and under what circumstances Awards may be vested, settled, exercised, cancelled or forfeited (including conditions based on continued employment or service requirements or the achievement of one or more performance goals);

(v) modify, waive or adjust any term or condition of an Award that has been granted, which may include the acceleration of vesting, waiver of forfeiture restrictions, modification of the form of settlement of the Award (for example, from cash to Stock or vice versa), early termination of a performance period, or modification of any other condition or limitation regarding an Award;

(vi) determine the treatment of an Award upon a termination of employment or other service relationship;

(vii) impose a holding period with respect to an Award or the shares of Stock received in connection with an Award;

(viii) interpret and administer the Plan and any Award Agreement;

(ix) correct any defect, supply any omission or reconcile any inconsistency in the Plan, in any Award, or in any Award Agreement; and

(x) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

The express grant of any specific power to the Committee, and the taking of any action by the Committee, shall not be construed as limiting any power or authority of the Committee. Any action of the Committee shall be final, conclusive and binding on all persons, including the Company, its Affiliates, stockholders, Participants, beneficiaries, and permitted transferees under Section 7(a) or other persons claiming rights from or through a Participant.

(b) Exercise of Committee Authority. At any time that a member of the Committee is not a Qualified Member, any action of the Committee relating to an Award granted or to be granted to an Eligible Person who is then subject to Section 16 of the Exchange Act in respect of the Company where such action is not taken by the full Board may be taken either (i) by a subcommittee, designated by the Committee, composed solely of two or more Qualified Members, or (ii) by the Committee but with each such member who is not a Qualified Member abstaining or recusing himself or herself from such action; provided, however, that upon such abstention or recusal, the Committee remains composed solely of two or more Qualified Members. Such action, authorized by such a subcommittee or by the Committee upon the abstention or recusal of such non-Qualified Member(s), shall be the action of the Committee for purposes of the Plan. For the avoidance of doubt, the full Board may take any action relating to an Award granted or to be granted to an Eligible Person who is then subject to Section 16 of the Exchange Act in respect of the Company.

(c) Delegation of Authority. The Committee may delegate any or all of its powers and duties under the Plan to a subcommittee of directors or to any officer of the Company, including the power to perform administrative functions and grant Awards; provided,

however, that such delegation does not (i) violate state or corporate law, or (ii) result in the loss of an exemption under Rule 16b-3(d)(1) for Awards granted to Participants subject to Section 16 of the Exchange Act in respect of the Company. Upon any such delegation, all references in the Plan to the "Committee," other than in Section 8, shall be deemed to include any subcommittee or officer of the Company to whom such powers have been delegated by the Committee. Any such delegation shall not limit the right of such subcommittee members or such an officer to receive Awards; provided, however, that such subcommittee members and any such officer may not grant Awards to himself or herself, a member of the Board, or any executive officer of the Company or an Affiliate, or take any action with respect to any Award previously granted to himself or herself, a member of the Board, or any executive officer of the Company or an Affiliate. The Committee may also appoint agents who are not executive officers of the Company or members of the Board to assist in administering the Plan, provided, however, that such individuals may not be delegated the authority to grant or modify any Awards that will, or may, be settled in Stock.

(d) Limitation of Liability. The Committee and each member thereof shall be entitled to, in good faith, rely or act upon any report or other information furnished to him or her by any officer or employee of the Company or any of its Affiliates, the Company's legal counsel, independent auditors, consultants or any other agents assisting in the administration of the Plan. Members of the Committee and any officer or employee of the Company or any of its Affiliates acting at the direction or on behalf of the Committee shall not be personally liable for any action or determination taken or made in good faith with respect to the Plan, and shall, to the fullest extent permitted by law, be indemnified and held harmless by the Company with respect to any such action or determination.

(e) Participants in Non-U.S. Jurisdictions. Notwithstanding any provision of the Plan to the contrary, to comply with applicable laws in countries other than the United States in which the Company or any of its Affiliates operates or has employees, directors or other service providers from time to time, or to ensure that the Company complies with any applicable requirements of foreign securities exchanges, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which of the Company's Affiliates shall be covered by the Plan; (ii) determine which Eligible Persons outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to Eligible Persons outside the United States to comply with applicable foreign laws or listing requirements of any foreign exchange; (iv) establish sub-plans and modify exercise procedures and other terms and procedures, to the extent such actions may be necessary or advisable (any such sub-plans and/or modifications shall be attached to the Plan as appendices), provided, however, that no such sub-plans and/or modifications shall increase the share limitations contained in Section 4(a); and (v) take any action, before or after an Award is granted, that it deems advisable to comply with any applicable governmental regulatory exemptions or approval or listing requirements of any such foreign securities exchange. For purposes of the Plan, all references to foreign laws, rules, regulations or taxes shall be references to the laws, rules, regulations and taxes of any applicable jurisdiction other than the United States or a political subdivision thereof.

4. **Stock Subject to Plan**.

(a) Number of Shares Available for Delivery. Subject to adjustment in a manner consistent with Section 8, 10,000,000 shares of Stock are reserved and available for delivery with respect to Awards (which number includes the number of shares of Stock previously issued pursuant to an award (or made subject to an award that has not expired or been terminated) granted under the Prior Plan or the 2017 Plan), and such total shall be available for the issuance of shares upon the exercise of ISOs.

(b) Application of Limitation to Grants of Awards. Subject to Section 4(c), no Award may be granted if the number of shares of Stock that may be delivered in connection with such Award exceeds the number of shares of Stock remaining available under the Plan minus the number of shares of Stock issuable in settlement of or relating to then-outstanding Awards. The Committee may adopt reasonable counting procedures to ensure appropriate counting, avoid double counting (as, for example, in the case of tandem or Substitute Awards) and make adjustments if the number of shares of Stock actually delivered differs from the number of shares previously counted in connection with an Award.

(c) Availability of Shares Not Delivered under Awards. If all or any portion of an Award expires or is cancelled, forfeited, exchanged, settled in cash or otherwise terminated, the shares of Stock subject to such Award (including (i) shares forfeited with respect to Restricted Stock, and (ii) the number of shares withheld or surrendered to the Company in payment of any exercise or purchase price of an Award or taxes relating to Awards) shall not be considered "delivered shares" under the Plan, shall be available for delivery with respect to Awards, and shall no longer be considered issuable or related to outstanding Awards for purposes of Section 4(b). If an Award may be settled only in cash, such Award need not be counted against any share limit under this Section 4.

(d) Shares Available Following Certain Transactions. Substitute Awards granted in accordance with applicable stock exchange requirements and in substitution or exchange for awards previously granted by a company acquired by the Company or any subsidiary or with which the Company or any subsidiary combines shall not reduce the shares authorized for issuance under the Plan or the limitations on grants to non-employee members of the Board under Section 5(b), nor shall shares subject to such Substitute Awards be added to the shares available for issuance under the Plan as provided above (whether or not such Substitute Awards are later cancelled, forfeited or otherwise terminated). Additionally, in the event that a company acquired by the Company or any subsidiary or with which the Company or any subsidiary combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may, if and to the extent determined by the Board and subject to compliance with applicable stock exchange requirements, be used for Awards under the Plan and shall not reduce the shares authorized for issuance under the Plan (and shares subject to such Awards shall not be added to the shares available for issuance under the Plan as provided above); provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not, prior

to such acquisition or combination, employed by (and who were not non-employee directors or consultants of) the Company or any of its subsidiaries immediately prior to such acquisition or combination.

(e) Stock Offered. The shares of Stock to be delivered under the Plan shall be made available from (i) authorized but unissued shares of Stock, (ii) Stock held in the treasury of the Company, or (iii) previously issued shares of Stock reacquired by the Company, including shares purchased on the open market.

5. **Eligibility; Award Limitations for Non-Employee Members of the Board**.

(a) Awards may be granted under the Plan only to Eligible Persons.

(b) In each calendar year during any part of which the Plan is in effect, a non-employee member of the Board may not receive total compensation (including the aggregate grant date fair value of Awards (determined pursuant to ASC Topic 718 or other applicable financial accounting rules), retainers and other fees related to service on the Board or committees of the Board, whether paid currently or on a deferred basis and whether paid in cash, Stock or other property) for such non-employee member's service on the Board in excess of (i) $1,000,000 in the case of the chairman of the Board and (ii) $650,000 in the case of any non-employee member of the Board other than the chairman; provided, that, for the calendar year in which a non-employee member of the Board first commences service on the Board only, the foregoing limitations shall be doubled; provided, further that the limits set forth in this Section 5(b) shall be without regard to grants of Awards, if any, made to a non-employee member of the Board during any period in which such individual was an employee of the Company or of any of its Affiliates or was otherwise providing services to the Company or to any of its Affiliates other than in the capacity as a director of the Company.

6. **Specific Terms of Awards**.

(a) General. Awards may be granted on the terms and conditions set forth in this Section 6. Awards granted under the Plan may, in the discretion of the Committee, be granted either alone, in addition to, or in tandem with any other Award. In addition, the Committee may impose on any Award or the exercise thereof, at the date of grant or thereafter (subject to Section 10), such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine. Without limiting the scope of the preceding sentence, the Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance goals applicable to an Award, and any such performance goals may differ among Awards granted to any one Participant or to different Participants. To the extent provided in an Award Agreement, the Committee may exercise its discretion to reduce or increase the amounts payable under any Award.

(b) Options. The Committee is authorized to grant Options, which may be designated as either ISOs or Nonstatutory Options, to Eligible Persons on the following terms and conditions:

(i) Exercise Price. Each Award Agreement evidencing an Option shall state the exercise price per share of Stock (the "***Exercise Price***") established by the

Committee; provided, however, that except as provided in Section 6(j) or in Section 8, the Exercise Price of an Option shall not be less than the greater of (A) the par value per share of the Stock or (B) 100% of the Fair Market Value per share of the Stock as of the date of grant of the Option (or in the case of an ISO granted to an individual who owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or its parent or any of its subsidiaries, 110% of the Fair Market Value per share of the Stock on the date of grant).

(ii) Time and Method of Exercise; Other Terms. The Committee shall determine the methods by which the Exercise Price may be paid or deemed to be paid, the form of such payment, including cash or cash equivalents, Stock (including previously owned shares or through a cashless exercise, i.e., "net settlement", a broker-assisted exercise, or other reduction of the amount of shares otherwise issuable pursuant to the Option), other Awards or awards granted under other plans of the Company or any Affiliate, other property, or any other legal consideration the Committee deems appropriate (including notes or other contractual obligations of Participants to make payment on a deferred basis), the methods by or forms in which Stock will be delivered or deemed to be delivered to Participants, including the delivery of Restricted Stock subject to Section 6(d), and any other terms and conditions of any Option. In the case of an exercise whereby the Exercise Price is paid with Stock, such Stock shall be valued based on the Stock's Fair Market Value as of the date of exercise. No Option may be exercisable for a period of more than ten years following the date of grant of the Option (or in the case of an ISO granted to an individual who owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or its parent or any of its subsidiaries, for a period of more than five years following the date of grant of the ISO).

(iii) ISOs. The terms of any ISO granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code. ISOs may only be granted to Eligible Persons who are employees of the Company or employees of a parent or any subsidiary corporation of the Company. Except as otherwise provided in Section 8, no term of the Plan relating to ISOs (including any SAR in tandem therewith) shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be exercised, so as to disqualify either the Plan or any ISO under Section 422 of the Code, unless notice has been provided to the Participant that such change will result in such disqualification. ISOs shall not be granted more than ten years after the earlier of the adoption of the Plan or the approval of the Plan by the Company's stockholders. Notwithstanding the foregoing, to the extent that the aggregate Fair Market Value of shares of Stock subject to an ISO and the aggregate Fair Market Value of shares of stock of any parent or subsidiary corporation (within the meaning of Sections 424(e) and (f) of the Code) subject to any other incentive stock options of the Company or a parent or subsidiary corporation (within the meaning of Sections 424(e) and (f) of the Code) that are exercisable for the first time by a Participant during any calendar year exceeds $100,000, or such other amount as may be prescribed under Section 422 of the Code, such excess shall be treated as Nonstatutory Options in accordance with the Code. As used in the previous sentence, Fair Market Value shall be determined as of the date the ISO is granted. If a Participant shall make any disposition of shares of Stock issued pursuant to an ISO under the circumstances described in Section 421(b) of the Code (relating to disqualifying dispositions), the Participant shall notify the Company of such disposition within the time provided to do so in the applicable award agreement.

(c) SARs. The Committee is authorized to grant SARs to Eligible Persons on the following terms and conditions:

(i) Right to Payment. An SAR is a right to receive, upon exercise thereof, the excess of (A) the Fair Market Value of one share of Stock on the date of exercise over (B) the grant price of the SAR as determined by the Committee.

(ii) Grant Price. Each Award Agreement evidencing an SAR shall state the grant price per share of Stock established by the Committee; provided, however, that except as provided in Section 6(j) or in Section 8, the grant price per share of Stock subject to an SAR shall not be less than the greater of (A) the par value per share of the Stock or (B) 100% of the Fair Market Value per share of the Stock as of the date of grant of the SAR.

(iii) Method of Exercise and Settlement; Other Terms. The Committee shall determine the form of consideration payable upon settlement, the method by or forms in which Stock (if any) will be delivered or deemed to be delivered to Participants, and any other terms and conditions of any SAR. SARs may be either free-standing or granted in tandem with other Awards. No SAR may be exercisable for a period of more than ten years following the date of grant of the SAR.

(iv) Rights Related to Options. An SAR granted in connection with an Option shall entitle a Participant, upon exercise, to surrender that Option or any portion thereof, to the extent unexercised, and to receive payment of an amount determined by multiplying (A) the difference obtained by subtracting the Exercise Price with respect to a share of Stock specified in the related Option from the Fair Market Value of a share of Stock on the date of exercise of the SAR, by (B) the number of shares as to which that SAR has been exercised. The Option shall then cease to be exercisable to the extent surrendered. SARs granted in connection with an Option shall be subject to the terms and conditions of the Award Agreement governing the Option, which shall provide that the SAR is exercisable only at such time or times and only to the extent that the related Option is exercisable and shall not be transferable except to the extent that the related Option is transferrable.

(d) Restricted Stock. The Committee is authorized to grant Restricted Stock to Eligible Persons on the following terms and conditions:

(i) Restrictions. Restricted Stock shall be subject to such restrictions on transferability, risk of forfeiture and other restrictions, if any, as the Committee may impose. Except as provided in Section 7(a)(iii) and Section 7(a)(iv), during the restricted period applicable to the Restricted Stock, the Restricted Stock may not be sold, transferred, pledged, hedged, hypothecated, margined or otherwise encumbered by the Participant.

(ii) Dividends and Splits. As a condition to the grant of an Award of Restricted Stock, the Committee may allow a Participant to elect, or may require, that any cash dividends paid on a share of Restricted Stock be automatically reinvested in additional shares of Restricted Stock, applied to the purchase of additional Awards or deferred without interest to the date of vesting of the associated Award of Restricted Stock. Unless otherwise determined by the Committee and specified in the applicable Award Agreement, Stock distributed in connection

with a Stock split or Stock dividend, and other property (other than cash) distributed as a dividend, shall be subject to restrictions and a risk of forfeiture to the same extent as the Restricted Stock with respect to which such Stock or other property has been distributed.

(e) Restricted Stock Units. The Committee is authorized to grant Restricted Stock Units to Eligible Persons on the following terms and conditions:

(i) Award and Restrictions. Restricted Stock Units shall be subject to such restrictions (which may include a risk of forfeiture) as the Committee may impose.

(ii) Settlement. Settlement of vested Restricted Stock Units shall occur upon vesting or upon expiration of the deferral period specified for such Restricted Stock Units by the Committee (or, if permitted by the Committee, as elected by the Participant). Restricted Stock Units shall be settled by delivery of (A) a number of shares of Stock equal to the number of Restricted Stock Units for which settlement is due, or (B) cash in an amount equal to the Fair Market Value of the specified number of shares of Stock equal to the number of Restricted Stock Units for which settlement is due, or a combination thereof, as determined by the Committee at the date of grant or thereafter.

(f) Stock Awards. The Committee is authorized to grant Stock Awards to Eligible Persons as a bonus, as additional compensation, or in lieu of cash compensation any such Eligible Person is otherwise entitled to receive, in such amounts and subject to such other terms as the Committee in its discretion determines to be appropriate.

(g) Dividend Equivalents. The Committee is authorized to grant Dividend Equivalents to Eligible Persons, entitling any such Eligible Person to receive cash, Stock, other Awards, or other property equal in value to dividends or other distributions paid with respect to a specified number of shares of Stock. Dividend Equivalents may be awarded on a free-standing basis or in connection with another Award (other than an Award of Restricted Stock or a Stock Award). The Committee may provide that Dividend Equivalents shall be paid or distributed when accrued or at a later specified date and, if distributed at a later date, may be deemed to have been reinvested in additional Stock, Awards, or other investment vehicles or accrued in a bookkeeping account without interest, and subject to such restrictions on transferability and risks of forfeiture, as the Committee may specify. With respect to Dividend Equivalents granted in connection with another Award, absent a contrary provision in the Award Agreement, such Dividend Equivalents shall be subject to the same restrictions and risk of forfeiture as the Award with respect to which the dividends accrue and shall not be paid unless and until such Award has vested and been earned.

(h) Other Stock-Based Awards. The Committee is authorized, subject to limitations under applicable law, to grant to Eligible Persons such other Awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Stock, as deemed by the Committee to be consistent with the purposes of the Plan, including convertible or exchangeable debt securities, other rights convertible or exchangeable into Stock, purchase rights for Stock, Awards with value and payment contingent upon performance of the Company or any other factors designated by the Committee, and Awards valued by reference to the book value of Stock or the value of securities of, or the performance

of, specified Affiliates of the Company. The Committee shall determine the terms and conditions of such Other Stock-Based Awards. Stock delivered pursuant to an Other-Stock Based Award in the nature of a purchase right granted under this Section 6(h) shall be purchased for such consideration, paid for at such times, by such methods, and in such forms, including cash, Stock, other Awards, or other property, as the Committee shall determine.

(i) Cash Awards. The Committee is authorized to grant Cash Awards, on a free-standing basis or as an element of, a supplement to, or in lieu of any other Award under the Plan to Eligible Persons in such amounts and subject to such other terms as the Committee in its discretion determines to be appropriate.

(j) Substitute Awards; No Repricing. Awards may be granted in substitution or exchange for any other Award granted under the Plan or under another plan of the Company or an Affiliate or any other right of an Eligible Person to receive payment from the Company or an Affiliate. Awards may also be granted under the Plan in substitution for awards held by individuals who become Eligible Persons as a result of a merger, consolidation or acquisition of another entity or the assets of another entity by or with the Company or an Affiliate. Such Substitute Awards referred to in the immediately preceding sentence that are Options or SARs may have an exercise price that is less than the Fair Market Value of a share of Stock on the date of the substitution if such substitution complies with the Nonqualified Deferred Compensation Rules and other applicable laws and exchange rules. Except as provided in this Section 6(j) or in Section 8, without the approval of the stockholders of the Company, the terms of outstanding Awards may not be amended to (i) reduce the Exercise Price or grant price of an outstanding Option or SAR, (ii) grant a new Option, SAR or other Award in substitution for, or upon the cancellation of, any previously granted Option or SAR that has the effect of reducing the Exercise Price or grant price thereof, (iii) exchange any Option or SAR for Stock, cash or other consideration when the Exercise Price or grant price per share of Stock under such Option or SAR exceeds the Fair Market Value of a share of Stock or (iv) take any other action that would be considered a “repricing” of an Option or SAR under the applicable listing standards of the national securities exchange on which the Stock is listed (if any).

7. **Certain Provisions Applicable to Awards**.

(a) Limit on Transfer of Awards.

(i) Except as provided in Sections 7(a)(iii) and (iv), each Option and SAR shall be exercisable only by the Participant during the Participant’s lifetime, or by the person to whom the Participant’s rights shall pass by will or the laws of descent and distribution. Notwithstanding anything to the contrary in this Section 7(a), an ISO shall not be transferable other than by will or the laws of descent and distribution.

(ii) Except as provided in Sections 7(a)(i), (iii) and (iv), no Award, other than a Stock Award, and no right under any such Award, may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate.

(iii) To the extent specifically provided by the Committee, an Award may be transferred by a Participant without consideration to immediate family members or related family trusts, limited partnerships or similar entities or on such terms and conditions as the Committee may from time to time establish.

(iv) An Award may be transferred pursuant to a domestic relations order entered or approved by a court of competent jurisdiction upon delivery to the Company of a written request for such transfer and a certified copy of such order.

(b) Form and Timing of Payment under Awards; Deferrals. Subject to the terms of the Plan and any applicable Award Agreement, payments to be made by the Company or any of its Affiliates upon the exercise or settlement of an Award may be made in such forms as the Committee shall determine in its discretion, including cash, Stock, other Awards or other property, and may be made in a single payment or transfer, in installments, or on a deferred basis (which may be required by the Committee or permitted at the election of the Participant on terms and conditions established by the Committee); provided, however, that any such deferred or installment payments will be set forth in the Award Agreement. Payments may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of Dividend Equivalents or other amounts in respect of installment or deferred payments denominated in Stock.

(c) Evidencing Stock. The Stock or other securities of the Company delivered pursuant to an Award may be evidenced in any manner deemed appropriate by the Committee in its sole discretion, including in the form of a certificate issued in the name of the Participant or by book entry, electronic or otherwise, and shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations, and other requirements of the SEC, any stock exchange upon which such Stock or other securities are then listed, and any applicable federal, state or other laws, and the Committee may cause a legend or legends to be inscribed on any such certificates to make appropriate reference to such restrictions. Further, if certificates representing Restricted Stock are registered in the name of the Participant, the Company may retain physical possession of the certificates and may require that the Participant deliver a stock power to the Company, endorsed in blank, related to the Restricted Stock.

(d) Consideration for Grants. Awards may be granted for such consideration, including services, as the Committee shall determine, but shall not be granted for less than the minimum lawful consideration.

(e) Additional Agreements. Each Eligible Person to whom an Award is granted under the Plan may be required to agree in writing, as a condition to the grant of such Award or otherwise, to subject an Award that is exercised or settled following such Eligible Person’s termination of employment or service to a general release of claims and/or a noncompetition or other restricted covenant agreement in favor of the Company and its Affiliates, with the terms and conditions of such agreement(s) to be determined in good faith by the Committee.

8. **Subdivision or Consolidation; Recapitalization; Change in Control; Reorganization**.

(a) Existence of Plans and Awards. The existence of the Plan and the Awards granted hereunder shall not affect in any way the right or power of the Company, the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities ahead of or affecting Stock or the rights thereof, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding.

(b) Additional Issuances. Except as expressly provided herein, the issuance by the Company of shares of stock of any class, including upon conversion of shares or obligations of the Company convertible into such shares or other securities, and in any case whether or not for fair value, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Stock subject to Awards theretofore granted or the purchase price per share of Stock, if applicable.

(c) Subdivision or Consolidation of Shares. The terms of an Award and the share limitations under the Plan shall be subject to adjustment by the Committee from time to time, in accordance with the following provisions:

(i) If at any time, or from time to time, the Company shall subdivide as a whole (by reclassification, by a Stock split, by the issuance of a distribution on Stock payable in Stock, or otherwise) the number of shares of Stock then outstanding into a greater number of shares of Stock or in the event the Company distributes an extraordinary cash dividend, then, as appropriate (A) the maximum number of shares of Stock available for delivery with respect to Awards and applicable limitations with respect to Awards provided in Section 4 and Section 5 (other than cash limits) shall be increased proportionately, and the kind of shares or other securities available for the Plan shall be appropriately adjusted, (B) the number of shares of Stock (or other kind of shares or securities) that may be acquired under any then outstanding Award shall be increased proportionately, and (C) the price (including the Exercise Price or grant price) for each share of Stock (or other kind of shares or securities) subject to then outstanding Awards shall be reduced proportionately, without changing the aggregate purchase price or value as to which outstanding Awards remain exercisable or subject to restrictions; provided, however, that in the case of an extraordinary cash dividend that is not an Adjustment Event, the adjustment to the number of shares of Stock and the Exercise Price or grant price, as applicable, with respect to an outstanding Option or SAR may be made in such other manner as the Committee may determine that is permitted pursuant to applicable tax and other laws, rules and regulations.

(ii) If at any time, or from time to time, the Company shall consolidate as a whole (by reclassification, by reverse Stock split, or otherwise) the number of shares of Stock then outstanding into a lesser number of shares of Stock, then, as appropriate (A) the maximum number of shares of Stock available for delivery with respect to Awards and applicable limitations with respect to Awards provided in Section 4 and Section 5 (other than cash limits) shall be decreased proportionately, and the kind of shares or other securities

available for the Plan shall be appropriately adjusted, (B) the number of shares of Stock (or other kind of shares or securities) that may be acquired under any then outstanding Award shall be decreased proportionately, and (C) the price (including the Exercise Price or grant price) for each share of Stock (or other kind of shares or securities) subject to then outstanding Awards shall be increased proportionately, without changing the aggregate purchase price or value as to which outstanding Awards remain exercisable or subject to restrictions.

(d) Recapitalization. In the event of any change in the capital structure or business of the Company or other corporate transaction or event that would be considered an "equity restructuring" within the meaning of ASC Topic 718 and, in each case, that would result in an additional compensation expense to the Company pursuant to the provisions of ASC Topic 718, if adjustments to Awards with respect to such event were discretionary or otherwise not required (each such an event, an "***Adjustment Event***"), then the Committee shall equitably adjust (i) the aggregate number or kind of shares that thereafter may be delivered under the Plan, (ii) the number or kind of shares or other property (including cash) subject to an Award, (iii) the terms and conditions of Awards, including the purchase price or Exercise Price of Awards and performance goals, as applicable, and (iv) the applicable limitations with respect to Awards provided in Section 4 and Section 5 (other than cash limits) to equitably reflect such Adjustment Event ("***Equitable Adjustments***"). In the event of any change in the capital structure or business of the Company or other corporate transaction or event that would not be considered an Adjustment Event, and is not otherwise addressed in this Section 8, the Committee shall have complete discretion to make Equitable Adjustments (if any) in such manner as it deems appropriate with respect to such other event.

(e) Change in Control and Other Events. Except to the extent otherwise provided in any applicable Award Agreement, vesting of any Award shall not occur solely upon the occurrence of a Change in Control and, in the event of a Change in Control or other changes in the Company or the outstanding Stock by reason of a recapitalization, reorganization, merger, consolidation, combination, exchange or other relevant change occurring after the date of the grant of any Award, the Committee, acting in its sole discretion without the consent or approval of any holder, may exercise any power enumerated in Section 3 (including the power to accelerate vesting, waive any forfeiture conditions or otherwise modify or adjust any other condition or limitation regarding an Award) and may also effect one or more of the following alternatives, which may vary among individual holders and which may vary among Awards held by any individual holder:

(i) accelerate the time of exercisability of an Award so that such Award may be exercised in full or in part for a limited period of time on or before a date specified by the Committee, after which specified date all unexercised Awards and all rights of holders thereunder shall terminate;

(ii) redeem in whole or in part outstanding Awards by requiring the mandatory surrender to the Company by selected holders of some or all of the outstanding Awards held by such holders (irrespective of whether such Awards are then vested or exercisable) as of a date, specified by the Committee, in which event the Committee shall thereupon cancel such Awards and pay to each holder an amount of cash or other consideration per Award (other than a Dividend Equivalent or Cash Award, which the Committee may separately require to be surrendered in exchange for cash or other consideration determined by the Committee in its

discretion) equal to the Change in Control Price, less the Exercise Price with respect to an Option and less the grant price with respect to a SAR, as applicable to such Awards; provided, however, that to the extent the Exercise Price of an Option or the grant price of an SAR exceeds the Change in Control Price, such Award may be cancelled for no consideration;

(iii) cancel Awards that remain subject to a restricted period as of the date of a Change in Control or other such event without payment of any consideration to the Participant for such Awards; or

(iv) make such adjustments to Awards then outstanding as the Committee deems appropriate to reflect such Change in Control or other such event (including the substitution, assumption, or continuation of Awards by the successor company or a parent or subsidiary thereof);

provided, however, that so long as the event is not an Adjustment Event, the Committee may determine in its sole discretion that no adjustment is necessary to Awards then outstanding. If an Adjustment Event occurs, this Section 8(e) shall only apply to the extent it is not in conflict with Section 8(d).

9. **General Provisions**.

(a) Tax Withholding. The Company and any of its Affiliates are authorized to withhold from any Award granted, or any payment relating to an Award, including from a distribution of Stock, taxes due or potentially payable in connection with any transaction involving an Award, and to take such other action as the Committee may deem advisable to enable the Company, its Affiliates and Participants to satisfy the payment of withholding taxes and other tax obligations relating to any Award in such amounts as may be determined by the Committee. The Committee shall determine, in its sole discretion, the form of payment acceptable for such tax withholding obligations, including the delivery of cash or cash equivalents, Stock (including previously owned shares, net settlement, a broker-assisted sale, or other cashless withholding or reduction of the amount of shares otherwise issuable or delivered pursuant to the Award), other property, or any other legal consideration the Committee deems appropriate. Any determination made by the Committee to allow a Participant who is subject to Rule 16b-3 to pay taxes with shares of Stock through net settlement or previously owned shares shall be approved by either a committee made up of solely two or more Qualified Members or the full Board. If such tax withholding amounts are satisfied through net settlement or previously owned shares, the maximum number of shares of Stock that may be so withheld or surrendered shall be the number of shares of Stock that have an aggregate Fair Market Value on the date of withholding or surrender equal to the aggregate amount of such tax liabilities determined based on the greatest withholding rates for federal, state, foreign and/or local tax purposes, including payroll taxes, that may be utilized without creating adverse accounting treatment for the Company with respect to such Award, as determined by the Committee.

(b) Limitation on Rights Conferred under Plan. Neither the Plan nor any action taken hereunder shall be construed as (i) giving any Eligible Person or Participant the right to continue as an Eligible Person or Participant or in the employ or service of the Company or any of its Affiliates, (ii) interfering in any way with the right of the Company or any of its

Affiliates to terminate any Eligible Person's or Participant's employment or service relationship at any time, (iii) giving an Eligible Person or Participant any claim to be granted any Award under the Plan or to be treated uniformly with other Participants and/or employees and/or other service providers, or (iv) conferring on a Participant any of the rights of a stockholder of the Company unless and until the Participant is duly issued or transferred shares of Stock in accordance with the terms of an Award.

(c) Governing Law; Submission to Jurisdiction. All questions arising with respect to the provisions of the Plan and Awards shall be determined by application of the laws of the State of Delaware, without giving effect to any conflict of law provisions thereof, except to the extent Delaware law is preempted by federal law. The obligation of the Company to sell and deliver Stock hereunder is subject to applicable federal and state laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Stock. With respect to any claim or dispute related to or arising under the Plan, the Company and each Participant who accepts an Award hereby consent to the exclusive jurisdiction, forum and venue in the state and federal courts located in Dallas County, Texas.

(d) Severability and Reformation. If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable law or, if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be stricken as to such jurisdiction, person or Award and the remainder of the Plan and any such Award shall remain in full force and effect. If any of the terms or provisions of the Plan or any Award Agreement conflict with the requirements of Rule 16b-3 (as those terms or provisions are applied to Eligible Persons who are subject to Section 16 of the Exchange Act) or Section 422 of the Code (with respect to ISOs), then those conflicting terms or provisions shall be deemed inoperative to the extent they so conflict with the requirements of Rule 16b-3 (unless the Board or the Committee, as appropriate, has expressly determined that the Plan or such Award should not comply with Rule 16b-3) or Section 422 of the Code, in each case, only to the extent Rule 16b-3 and such sections of the Code are applicable. With respect to ISOs, if the Plan does not contain any provision required to be included herein under Section 422 of the Code, that provision shall be deemed to be incorporated herein with the same force and effect as if that provision had been set out at length herein; provided, further, that, to the extent any Option that is intended to qualify as an ISO cannot so qualify, that Option (to that extent) shall be deemed a Nonstatutory Option for all purposes of the Plan.

(e) Unfunded Status of Awards; No Trust or Fund Created. The Plan is intended to constitute an "unfunded" plan for certain incentive awards. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company or any Affiliate pursuant to an Award, such right shall be no greater than the right of any general unsecured creditor of the Company or such Affiliate.

(f) Nonexclusivity of the Plan. Neither the adoption of the Plan by the Board nor its submission to the stockholders of the Company for approval shall be construed as creating any limitations on the power of the Board or a committee thereof to adopt such other incentive arrangements as it may deem desirable. Nothing contained in the Plan shall be construed to prevent the Company or any of its Affiliates from taking any corporate action which is deemed by the Company or such Affiliate to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Plan or any Award made under the Plan. No employee, beneficiary or other person shall have any claim against the Company or any of its Affiliates as a result of any such action.

(g) Fractional Shares. No fractional shares of Stock shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine in its sole discretion whether cash, other securities, or other property shall be paid or transferred in lieu of any fractional shares of Stock or whether such fractional shares of Stock or any rights thereto shall be cancelled, terminated, or otherwise eliminated with or without consideration.

(h) Interpretation. Headings are given to the Sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof. Words in the masculine gender shall include the feminine gender, and, where appropriate, the plural shall include the singular and the singular shall include the plural. In the event of any conflict between the terms and conditions of an Award Agreement and the Plan, the provisions of the Plan shall control. The use herein of the word "including" following any general statement, term or matter shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation", "but not limited to", or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter. References herein to any agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and not prohibited by the Plan.

(i) Facility of Payment. Any amounts payable hereunder to any individual under legal disability or who, in the judgment of the Committee, is unable to manage properly his financial affairs, may be paid to the legal representative of such individual, or may be applied for the benefit of such individual in any manner that the Committee may select, and the Company shall be relieved of any further liability for payment of such amounts.

(j) Conditions to Delivery of Stock. Nothing herein or in any Award Agreement shall require the Company to issue any shares with respect to any Award if that issuance would, in the opinion of counsel for the Company, constitute a violation of the Securities Act, any other applicable statute or regulation, or the rules of any applicable securities exchange or securities association, as then in effect. In addition, each Participant who receives an Award under the Plan shall not sell or otherwise dispose of Stock that is acquired upon grant, exercise or vesting of an Award in any manner that would constitute a violation of any applicable federal or state securities laws, the Plan or the rules, regulations or other requirements of the SEC

or any stock exchange upon which the Stock is then listed. At the time of any exercise of an Option or SAR, or at the time of any grant of any other Award, the Company may, as a condition precedent to the exercise of such Option or SAR or settlement of any other Award, require from the Participant (or in the event of his or her death, his or her legal representatives, heirs, legatees, or distributees) such written representations, if any, concerning the holder's intentions with regard to the retention or disposition of the shares of Stock being acquired pursuant to the Award and such written covenants and agreements, if any, as to the manner of disposal of such shares as, in the opinion of counsel to the Company, may be necessary to ensure that any disposition by that holder (or in the event of the holder's death, his or her legal representatives, heirs, legatees, or distributees) will not involve a violation of the Securities Act, any other applicable state or federal statute or regulation, or any rule of any applicable securities exchange or securities association, as then in effect. Stock or other securities shall not be delivered pursuant to any Award until payment in full of any amount required to be paid pursuant to the Plan or the applicable Award Agreement (including any Exercise Price, grant price, or tax withholding) is received by the Company.

(k) Section 409A of the Code. It is the general intention, but not the obligation, of the Committee to design Awards to comply with or to be exempt from the Nonqualified Deferred Compensation Rules, and Awards will be operated and construed accordingly. Neither this Section 9(k) nor any other provision of the Plan is or contains a representation to any Participant regarding the tax consequences of the grant, vesting, exercise, settlement, or sale of any Award (or the Stock underlying such Award) granted hereunder, and should not be interpreted as such. In no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with the Nonqualified Deferred Compensation Rules. Notwithstanding any provision in the Plan or an Award Agreement to the contrary, in the event that a "specified employee" (as defined under the Nonqualified Deferred Compensation Rules) becomes entitled to a payment under an Award that would be subject to additional taxes and interest under the Nonqualified Deferred Compensation Rules if the Participant's receipt of such payment or benefits is not delayed until the earlier of (i) the date of the Participant's death, or (ii) the date that is six months after the Participant's "separation from service," as defined under the Nonqualified Deferred Compensation Rules (such date, the "***Section 409A Payment Date***"), then such payment or benefit shall not be provided to the Participant until the Section 409A Payment Date. Any amounts subject to the preceding sentence that would otherwise be payable prior to the Section 409A Payment Date will be aggregated and paid in a lump sum without interest on the Section 409A Payment Date. The applicable provisions of the Nonqualified Deferred Compensation Rules are hereby incorporated by reference and shall control over any Plan or Award Agreement provision in conflict therewith.

(l) Clawback. The Plan and all Awards granted hereunder are subject to any written clawback policies that the Company, with the approval of the Board or an authorized committee thereof, may adopt either prior to or following the Effective Date, including any policy adopted to conform to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and rules promulgated thereunder by the SEC and that the Company determines should apply to Awards. Any such policy may subject a Participant's Awards and amounts paid or realized with respect to Awards to reduction, cancelation, forfeiture or recoupment if certain specified events or wrongful conduct occur, including an accounting restatement due to the Company's material noncompliance with financial reporting regulations or other events or wrongful conduct specified in any such clawback policy.

(m) Status under ERISA. The Plan shall not constitute an "employee benefit plan" for purposes of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended.

(n) Plan Effective Date and Term. The Plan was adopted by the Board to be effective on the Effective Date. No Awards may be granted under the Plan on and after the tenth anniversary of the Effective Date, which is June 27, 2018. However, any Award granted prior to such termination (or any earlier termination pursuant to Section 10), and the authority of the Board or Committee to amend, alter, adjust, suspend, discontinue, or terminate any such Award or to waive any conditions or rights under such Award in accordance with the terms of the Plan, shall extend beyond such termination until the final disposition of such Award.

10. **Amendments to the Plan and Awards.** The Committee may amend, alter, suspend, discontinue or terminate any Award or Award Agreement, the Plan or the Committee's authority to grant Awards without the consent of stockholders or Participants, except that any amendment or alteration to the Plan, including any increase in any share limitation, shall be subject to the approval of the Company's stockholders not later than the annual meeting next following such Committee action if such stockholder approval is required by any federal or state law or regulation or the rules of any stock exchange or automated quotation system on which the Stock may then be listed or quoted, and the Committee may otherwise, in its discretion, determine to submit other changes to the Plan to stockholders for approval; provided, that, without the consent of an affected Participant, no such Committee action may materially and adversely affect the rights of such Participant under any previously granted and outstanding Award. For purposes of clarity, any adjustments made to Awards pursuant to Section 8 will be deemed not to materially and adversely affect the rights of any Participant under any previously granted and outstanding Award and therefore may be made without the consent of affected Participants.

BERRY PETROLEUM CORPORATION

2017 OMNIBUS INCENTIVE PLAN

ARTICLE 1
PURPOSE

The purpose of this Berry Petroleum Corporation 2017 Omnibus Incentive Plan is to enhance the profitability and value of the Company for the benefit of its stockholders by enabling the Company to offer Eligible Individuals cash and stock-based incentives in order to attract, retain and reward such individuals and strengthen the mutuality of interests between such individuals and the Company's stockholders. The Plan is effective as of the date set forth in Article 14.

ARTICLE 2
DEFINITIONS

For purposes of the Plan, the following terms shall have the following meanings:

2.1 "Affiliate" means each of the following: (a) any Subsidiary; (b) any Parent; (c) any corporation, trade or business (including, without limitation, a partnership or limited liability company) which is directly or indirectly controlled 50% or more (whether by ownership of stock, assets or an equivalent ownership interest or voting interest) by the Company or one of its Affiliates; (d) any trade or business (including, without limitation, a partnership or limited liability company) which directly or indirectly controls 50% or more (whether by ownership of stock, assets or an equivalent ownership interest or voting interest) of the Company; and (e) any other entity in which the Company or any of its Affiliates has a material equity interest and which is designated as an "Affiliate" by resolution of the Committee; provided that, unless otherwise determined by the Committee, the Common Stock subject to any Option constitutes "service recipient stock" for purposes of Section 409A of the Code or otherwise does not subject the Option to Section 409A of the Code.

2.2 "Auditor" has the meaning set forth in Section 5.4(c).

2.3 "Award" means any award under the Plan of any Stock Option, Restricted Stock Award, Performance Award, Other Stock-Based Award or Other Cash-Based Award. All Awards shall be granted by, confirmed by, and subject to the terms of, a written Award Agreement executed by the Company and the Participant.

2.4 "Award Agreement" means the written or electronic agreement setting forth the terms and conditions applicable to an Award.

2.5 "Award Shares" has the meaning set forth in Section 5.4(a).

2.6 "Board" means the Board of Directors of the Company.

2.7 "Bona Fide Agreements" has the meaning set forth in Section 5.4(c).

2.8 “Cause” means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant’s Termination of Employment or Termination of Consultancy, the following: (a) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define “cause” (or words of like import)), termination due to a Participant’s: (i) 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; (ii) repeated intoxication by alcohol or drugs during the performance of his or her duties; (iii) willful and intentional misuse of any of the funds of the Company or its direct or indirect Subsidiaries; (iv) embezzlement; (v) willful and material misrepresentations or concealments on any written reports submitted to any of the Company or its direct or indirect Subsidiaries; or (vi) conduct constituting a material breach of the Company’s then current Code of Conduct, 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; provided further, 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 (x) the Board for Eligible Employees with the title of Senior Vice President and above and (y) the Committee for all other Participants; or (b) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines “cause” (or words of like import), “cause” as defined under such agreement; provided, however, that with regard to any agreement under which the definition of “cause” only applies on occurrence of a Change in Control, such definition of “cause” shall not apply until a Change in Control actually takes place and then only with regard to a termination thereafter.

2.9 “Change in Control” has the meaning set forth in Section 10.2.

2.10 “Change in Control Price” has the meaning set forth in Section 10.1.

2.11 “Code” means the Internal Revenue Code of 1986, as amended. Any reference to any section of the Code shall also be a reference to any successor provision and any Treasury Regulation and other official guidance and regulations promulgated thereunder.

2.12 “Committee” means any committee of the Board duly authorized by the Board to administer the Plan. If no committee is duly authorized by the Board to administer the Plan, the term “Committee” shall be deemed to refer to the Board for all purposes under the Plan.

2.13 “Common Stock” means the Class A common stock, $0.001 par value per share, of the Company.

2.14 “Company” means Berry Petroleum Corporation, a Delaware corporation, and its successors by operation of law.

2.15 “Consultant” means any natural person who is an advisor or consultant to the Company or its Affiliates.

2.16 “Covered Employee” has the same meaning as set forth in Section 162(m)(3) of the Code, as interpreted by IRS Notice 2007-49.

2.17 “Disability” means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant’s Termination, a permanent and total disability as defined in Section 22(e)(3) of the Code. A Disability shall only be deemed to occur at the time of the determination

by the Committee of the Disability. Notwithstanding the foregoing, for Awards that are subject to Section 409A of the Code, Disability shall mean that a Participant is disabled under Section 409A(a)(2)(C)(i) or (ii) of the Code.

2.18 "Dispute Notice" has the meaning set forth in Section 5.4(c).

2.19 "Effective Date" means the effective date of the Plan as defined in Article 15.

2.20 "Eligible Employees" means each employee of the Company or an Affiliate.

2.21 "Eligible Individual" means an Eligible Employee or Consultant who is designated by the Committee in its discretion as eligible to receive Awards subject to all of the terms and the conditions set forth herein, including those set forth in Section 4.1.

2.22 "Exchange Act" means the Securities Exchange Act of 1934, as amended. Reference to a specific section of the Exchange Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

2.23 "Fair Market Value" means, for purposes of the Plan, as of any date: (a) with respect to any security (including the Common Stock) that is traded, listed or otherwise reported or quoted on a national securities exchange, the last sales price reported for such security on the applicable date on the principal national securities exchange in the United States on which it is then traded, listed or otherwise reported or quoted; or (b) (i) with respect to any security (including the Common Stock) that is not traded, listed or otherwise reported or quoted on a national securities exchange, or (ii) with respect to any property that is not a security, the Committee shall determine in good faith the price at which the applicable security or other property would be sold by a willing buyer to a willing seller, neither acting under compulsion, taking into account the requirements of Section 409A of the Code and any other applicable laws, rules or regulations and without applying any discounts for minority interest, illiquidity or other similar factors. For purposes of the grant of any Award, the applicable date shall be the trading day immediately prior to the date on which the Award is granted. For purposes of the exercise of any Award, the applicable date shall be the date a notice of exercise is received by the Committee or, if not a day on which the applicable market is open, the next day that it is open.

2.24 "Family Member" means "family member" as defined in Section A.1.(a)(5) of the general instructions of Form S-8 of the United States Securities and Exchange Commission.

2.25 "Good Reason" means, unless otherwise determined by the Committee in the applicable Award Agreement, the following: (a) in the case where there is no employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define "good reason" (or words of like import)), the occurrence, without the Participant's written consent, of any of the following events: (i) a reduction in the Participant's base salary; or (ii) any material reduction in the Participant's title, authority or responsibilities; 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 thirty (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 thirty (30) days after receipt of such notice or if such notice is given by the Participant to the Participant's Employer more than thirty (30) days after the occurrence of the event that the Participant alleges is Good Reason for the Participant's Termination

hereunder. In order for a Termination to be for Good Reason, the Employer must fail to remedy the alleged grounds for resignation within the cure period, and the Participant must actually terminate employment with the Employer within ninety (90) days after the expiration of the cure period; or (b) in the case where there is an employment agreement, consulting agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines "good reason" (or words of like import), "good reason" as defined under such agreement; provided, however, that with regard to any agreement under which the definition of "good reason" only applies on occurrence of a Change in Control, such definition of "good reason" shall not apply until a Change in Control actually takes place and then only with regard to a termination thereafter.

2.26 "Incentive Stock Option" means any Stock Option awarded to an Eligible Employee of the Company, its Subsidiaries and its Parents (if any) under the Plan intended to be and designated as an "Incentive Stock Option" within the meaning of Section 422 of the Code.

2.27 "Non-Qualified Stock Option" means any Stock Option awarded under the Plan that is not an Incentive Stock Option.

2.28 "Other Cash-Based Award" means an Award granted pursuant to Section 9.3 of the Plan and payable in cash at such time or times and subject to such terms and conditions as determined by the Committee in its sole discretion.

2.29 "Other Stock-Based Award" means an Award under Article 9 of the Plan that is valued in whole or in part by reference to, or is payable in or otherwise based on, Common Stock, including, without limitation, an Award valued by reference to an Affiliate.

2.30 "Outside Director" has the meaning set forth in Section 4.4(b).

2.31 "Parent" means any parent corporation of the Company within the meaning of Section 424(e) of the Code.

2.32 "Participant" means an Eligible Individual to whom an Award has been granted pursuant to the Plan.

2.33 "Performance Award" means an Award granted to a Participant pursuant to Article 8 hereof contingent upon achieving certain Performance Goals.

2.34 "Performance Goals" means goals established by the Committee as contingencies for Awards to vest and/or become exercisable or distributable based on one or more of the performance goals set forth in Exhibit A hereto.

2.35 "Performance Period" means the designated period during which the Performance Goals must be satisfied with respect to the Award to which the Performance Goals relate.

2.36 "Plan" means this Berry Petroleum Corporation 2017 Omnibus Incentive Plan, as amended from time to time.

2.37 "Proceeding" has the meaning set forth in Section 13.8.

2.38 "Registration Date" means the date on which (a) the Company sells shares of its Common Stock in a bona fide, firm commitment underwriting pursuant to a registration statement under the Securities Act or (b) the Common Stock is listed for traded on a national securities exchange.

2.39 “Reorganization” has the meaning set forth in Section 4.2(b)(ii).

2.40 “Repurchase Closing” has the meaning set forth in Section 5.4(b).

2.41 “Repurchase Closing Date” has the meaning set forth in Section 5.4(d).

2.42 “Repurchase Notice” has the meaning set forth in Section 5.4(b).

2.43 “Repurchase Price” has the meaning set forth in Section 5.4(a).

2.44 “Restricted Stock” means an Award of shares of Common Stock under the Plan that is subject to restrictions under Article 7.

2.45 “Restriction Period” has the meaning set forth in Section 7.3(a) with respect to Restricted Stock.

2.46 “Rule 16b-3” means Rule 16b-3 under Section 16(b) of the Exchange Act as then in effect or any successor provision.

2.47 “Section 162(m) of the Code” means the exception for performance-based compensation under Section 162(m) of the Code and any applicable Treasury Regulations thereunder.

2.48 “Section 409A of the Code” means the nonqualified deferred compensation rules under Section 409A of the Code and any applicable Treasury Regulations and other official guidance thereunder.

2.49 “Securities Act” means the Securities Act of 1933, as amended and all rules and regulations promulgated thereunder. Reference to a specific section of the Securities Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

2.50 “Stock Option” or “Option” means any option to purchase shares of Common Stock granted to Eligible Individuals granted pursuant to Article 6.

2.51 “Subsidiary” means any subsidiary corporation of the Company within the meaning of Section 424(f) of the Code.

2.52 “Ten Percent Stockholder” means a person owning stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company, its Subsidiaries or its Parent.

2.53 “Termination” means a Termination of Consultancy or Termination of Employment, as applicable.

2.54 “Termination of Consultancy” means: (a) that the Consultant is no longer acting as a consultant to the Company or any of its Affiliates; or (b) when an entity (other than the Company) which is retaining a Participant as a Consultant ceases to be an Affiliate, unless the Participant otherwise is, or thereupon becomes, a Consultant to the Company or another Affiliate at the time the entity ceases to be an Affiliate. In the event that a Consultant becomes an Eligible Employee upon the termination of such Consultant’s consultancy, unless otherwise determined by the Committee, in its sole discretion, no Termination of Consultancy shall be deemed to occur until such time as such Consultant is no longer a

Consultant or an Eligible Employee. Notwithstanding the foregoing, the Committee may otherwise define Termination of Consultancy in the Award Agreement or, if no rights of a Participant are reduced, may otherwise define Termination of Consultancy thereafter, provided that any such change to the definition of the term "Termination of Consultancy" does not subject the applicable Award to Section 409A of the Code.

2.55 "Termination of Employment" means: (a) a termination of employment (for reasons other than a military or personal leave of absence granted by the Company) of a Participant from the Company and all of its Affiliates; or (b) when an entity (other than the Company) which is employing a Participant ceases to be an Affiliate, unless the Participant otherwise is, or thereupon becomes, employed by the Company or another Affiliate at the time the entity ceases to be an Affiliate. In the event that an Eligible Employee becomes a Consultant upon the termination of such Eligible Employee's employment, unless otherwise determined by the Committee, in its sole discretion, no Termination of Employment shall be deemed to occur until such time as such Eligible Employee is no longer an Eligible Employee or a Consultant. Notwithstanding the foregoing, the Committee may otherwise define Termination of Employment in the Award Agreement or, if no rights of a Participant are reduced, may otherwise define Termination of Employment thereafter, provided that any such change to the definition of the term "Termination of Employment" does not subject the applicable Award to Section 409A of the Code.

2.56 "Transfer" means: (a) when used as a noun, any direct or indirect transfer, sale, assignment, pledge, hypothecation, encumbrance or other disposition (including the issuance of equity in any entity), whether for value or no value and whether voluntary or involuntary (including by operation of law), and (b) when used as a verb, to directly or indirectly transfer, sell, assign, pledge, encumber, charge, hypothecate or otherwise dispose of (including the issuance of equity in any entity) whether for value or for no value and whether voluntarily or involuntarily (including by operation of law). "Transferred" and "Transferable" shall have a correlative meaning.

ARTICLE 3
ADMINISTRATION

3.1 **The Committee**. The Plan shall be administered and interpreted by the Committee. To the extent required by applicable law, rule or regulation, it is intended that each member of the Committee shall qualify as (a) a "non-employee director" under Rule 16b-3, (b) an "outside director" under Section 162(m) of the Code and (c) an "independent director" under the rules of any national securities exchange or national securities association, as applicable. If it is later determined that one or more members of the Committee do not so qualify, actions taken by the Committee prior to such determination shall be valid despite such failure to qualify.

3.2 **Grants of Awards**. The Committee shall have full authority to grant, pursuant to the terms of the Plan, to Eligible Individuals: (i) Stock Options, (ii) Restricted Stock, (iii) Performance Awards; (iv) Other Stock-Based Awards; and (v) Other Cash-Based Awards. In particular, the Committee shall have the authority:

(a) to select the Eligible Individuals to whom Awards may from time to time be granted hereunder, subject, for the avoidance of doubt, to the limitations set forth in Section 4.1;

(b) to determine whether and to what extent Awards, or any combination thereof, are to be granted hereunder to one or more Eligible Individuals, subject, for the avoidance of doubt, to the limitations set forth in Section 4.1;

(c) to determine the number of shares of Common Stock to be covered by each Award granted hereunder;

(d) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder (including, but not limited to, the exercise or purchase price (if any), any restriction or limitation, any vesting schedule or acceleration thereof, or any forfeiture restrictions or waiver thereof, regarding any Award and the shares of Common Stock relating thereto, based on such factors, if any, as the Committee shall determine, in its sole discretion);

(e) to determine the amount of cash to be covered by each Award granted hereunder;

(f) to determine whether, to what extent and under what circumstances grants of Options and other Awards under the Plan are to operate on a tandem basis and/or in conjunction with or apart from other awards made by the Company outside of the Plan;

(g) to determine whether and under what circumstances an Award may be cancelled, forfeited, exchanged or surrendered;

(h) to determine whether and under what circumstances a Stock Option may be settled in cash, Common Stock and/or Restricted Stock under Section 6.4(d);

(i) to determine whether a Stock Option is an Incentive Stock Option or Non-Qualified Stock Option;

(j) to impose a "blackout" period during which Options may not be exercised;

(k) to determine whether to require a Participant, as a condition of the granting of any Award, to not sell or otherwise dispose of shares of Common Stock acquired pursuant to the exercise of an Award for a period of time as determined by the Committee, in its sole discretion, following the date of the acquisition of such Award;

(l) to modify, extend or renew an Award, subject to Article 11 and Section 6.4(l), provided, however, that such action does not subject the Award to Section 409A of the Code without the consent of the Participant; and

(m) solely to the extent permitted by applicable law, to determine whether, to what extent and under what circumstances to provide loans (which may be on a recourse basis and shall bear interest at the rate the Committee shall provide) to Participants in order to exercise Options under the Plan.

For the sake of clarity and to the extent permitted by applicable law, the Board or the Committee may delegate to an officer of the Company the authority to make Awards hereunder.

3.3 **Guidelines.** Subject to Article 11 hereof, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan and perform all acts, including the delegation of its responsibilities (to the extent permitted by applicable law and applicable stock exchange rules), as it shall, from time to time, deem advisable; to construe and interpret the terms and provisions of the Plan and any Award issued under the Plan (and any Award Agreements relating thereto); and to otherwise supervise the administration of the Plan. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any agreement relating thereto in the manner and to the extent it shall deem necessary to effectuate the purpose and intent of the Plan. The Committee may adopt special guidelines and provisions for persons who are residing in or employed in, or subject to, the taxes of, any domestic or foreign jurisdictions to comply with applicable tax and securities laws of such domestic or foreign jurisdictions. Notwithstanding the foregoing, no action of the Committee under this Section 3.3 shall impair the rights of any Participant without the Participant's consent. To the extent

applicable, the Plan is intended to comply with the applicable requirements of Rule 16b-3, and with respect to Awards intended to be "performance- based," the applicable provisions of Section 162(m) of the Code, and the Plan shall be limited, construed and interpreted in a manner so as to comply therewith.

3.4 **Decisions Final**. Any decision, interpretation or other action made or taken in good faith under the Plan, by or at the direction of the Company, the Board or the Committee (or any of its members), shall be final, binding and conclusive on the Company and all employees and Participants and their respective heirs, executors, administrators, successors and assigns.

3.5 **Designation of Consultants/Liability**.

(a) The Committee may designate employees of the Company and professional advisors to assist the Committee in the administration of the Plan and (to the extent permitted by applicable law and applicable exchange rules) may grant authority to officers to grant Awards and/or execute agreements or other documents on behalf of the Committee.

(b) The Committee may employ such legal counsel, consultants and agents as it may deem desirable for the administration of the Plan and may rely upon any opinion received from any such counsel or consultant and any computation received from any such consultant or agent. Expenses incurred by the Committee or the Board in the engagement of any such counsel, consultant or agent shall be paid by the Company. The Committee, its members and any person designated or granted authority pursuant to sub-section (a) above shall not be liable for any action or determination made in good faith with respect to the Plan. To the maximum extent permitted by applicable law, no officer or employee of the Company or its Affiliates or member or former member of the Committee or of the Board shall be liable for any action or determination made in good faith with respect to the Plan or any Award granted under it.

ARTICLE 4
SHARE LIMITATION

4.1 **Shares**.

(a) The aggregate number of shares of Common Stock that may be issued or used for reference purposes or with respect to which Awards may be granted under the Plan shall not exceed 6,876,500 shares[1] (subject to any increase or decrease pursuant to Section 4.2) (the "Share Reserve"), which may be either authorized and unissued Common Stock or Common Stock held in or acquired for the treasury of the Company or both.

(b) The maximum number of shares of Common Stock with respect to which Incentive Stock Options may be granted under the Plan shall be equal to the Share Reserve. If any Option or Other Stock-Based Award granted under the Plan expires, terminates or is canceled for any reason without having been exercised in full, the number of shares of Common Stock underlying any unexercised Award shall again be available for the purpose of Awards under the Plan. If any shares of Restricted Stock, Performance Awards or Other Stock-Based Awards denominated in shares of Common Stock awarded under the Plan to a Participant are forfeited for any reason, the number of forfeited shares of Restricted Stock, Performance Awards or Other Stock-Based Awards denominated in shares of Common Stock shall again be available for purposes of Awards under the Plan. Any Award under the Plan settled in cash shall not be counted against the foregoing maximum share limitations. To the extent an Award is denominated in shares of

[1] NTD: Equal to 10% of the Common Stock outstanding as of the Emergence Date, determined on a fully diluted, as-converted basis.

Common Stock, but paid or settled in cash, the number of shares of Common Stock with respect to which such payment or settlement is made shall again be available for grants of Awards under the Plan.

4.2 **Changes**.

(a) The existence of the Plan and the Awards granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (ii) any merger or consolidation of the Company or any Affiliate, (iii) any issuance of bonds, debentures, preferred or prior preference stock ahead of or affecting the Common Stock, (iv) the dissolution or liquidation of the Company or any Affiliate, (v) any sale or transfer of all or part of the assets or business of the Company or any Affiliate or (vi) any other corporate act or proceeding.

(b) Subject to the provisions of Section 10.1:

(i) If the Company at any time subdivides (by any split, recapitalization or otherwise) the outstanding Common Stock into a greater number of shares of Common Stock, or combines (by reverse split, combination or otherwise) its outstanding Common Stock into a lesser number of shares of Common Stock, then the respective exercise prices for outstanding Awards that provide for a Participant elected exercise and the number of shares of Common Stock covered by outstanding Awards may be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under the Plan.

(ii) Excepting transactions covered by Section 4.2(b)(i), if the Company effects any merger, consolidation, statutory exchange, spin-off, reorganization, sale or transfer of all or substantially all the Company's assets or business, or other corporate transaction or event in such a manner that the Company's outstanding shares of Common Stock are converted into the right to receive (or the holders of Common Stock are entitled to receive in exchange therefor), either immediately or upon liquidation of the Company, securities or other property of the Company or other entity (each, a "Reorganization"), then, subject to the provisions of Section 10.1, (A) the aggregate number or kind of securities that thereafter may be issued under the Plan, (B) the number or kind of securities or other property (including cash) to be issued pursuant to Awards granted under the Plan (including as a result of the assumption of the Plan and the obligations hereunder by a successor entity, as applicable), or (C) the purchase price thereof, may be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under the Plan.

(iii) If there shall occur any change in the capital structure of the Company other than those covered by Section 4.2(b)(i) or 4.2(b)(ii), including by reason of any extraordinary dividend (whether cash or equity), any conversion, any adjustment, any issuance of any class of securities convertible or exercisable into, or exercisable for, any class of equity securities of the Company, then the Committee may equitably adjust all outstanding Awards and make such other adjustments to the Plan to prevent dilution or enlargement of the rights granted to, or available for, Participants under the Plan.

(iv) Any such adjustment determined by the Committee pursuant to this Section 4.2(b) shall be final, binding and conclusive on the Company and all Participants and their respective heirs, executors, administrators, successors and permitted assigns. Any adjustment to, or assumption or substitution of, an Award under this Section 4.2(b) shall be intended to comply with the requirements of Section 409A of the Code and Treasury Regulation §1.424-1 (and any amendments thereto), to the extent applicable. Except as expressly provided in this Section 4.2 or in the applicable Award Agreement, a Participant shall have no additional rights under the Plan by reason of any transaction or event described in this Section 4.2.

(v) Fractional shares of Common Stock resulting from any adjustment in Awards pursuant to Section 4.2(a) or this Section 4.2(b) shall be aggregated until, and eliminated at, the time of exercise or payment by rounding-down for fractions less than one-half and rounding-up for fractions equal to or greater than one-half. No cash settlements shall be required with respect to fractional shares eliminated by rounding. Notice of any adjustment shall be given by the Committee to each Participant whose Award has been adjusted and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes of the Plan.

4.3 **Minimum Purchase Price**. Notwithstanding any provision of the Plan to the contrary, if authorized but previously unissued shares of Common Stock are issued under the Plan, such shares shall not be issued for a consideration that is less than as permitted under applicable law.

4.4 **Award Limitations**. Except as provided under this Section 4.4, there is no limit on the amount of cash and securities (other than the overall Plan limit on shares of Common Stock as provided in Section 4.1) that may be subject to Awards to any Eligible Individual under the Plan.

(a) During any single calendar year, no Covered Employee may be granted Performance Awards intended to qualify as "performance-based compensation" under Section 162(m) of the Code (i) covering more than 1,000,000 shares of Common Stock (as adjusted pursuant to the provisions of Section 4.2), or (ii) providing for a payment in cash in an amount in excess of $5,000,000.

(b) The aggregate grant date fair value for financial reporting purposes of Awards granted during a calendar year to a non-employee member of the Board (an "Outside Director") as compensation for his or her services as a director shall not exceed (i) $650,000 in total value in the case of an Outside Director other than the Chairman of the Board, and (ii) $1,000,000 in total value in the case of the Chairman of the Board. For the avoidance of doubt, Awards granted to Outside Directors shall be subject to all of the other limitations set forth in the Plan.

ARTICLE 5
ELIGIBILITY

5.1 **General Eligibility**. All current and prospective Eligible Individuals are eligible to be granted Awards. Eligibility for the grant of Awards and actual participation in the Plan shall be determined by the Committee in its sole discretion, subject to the terms of the Plan, including, without limitation, Section 4.1.

5.2 **Incentive Stock Options**. Notwithstanding the foregoing, only Eligible Employees of the Company, its Subsidiaries and its Parent (if any) are eligible to be granted Incentive Stock Options under the Plan. Eligibility for the grant of an Incentive Stock Option and actual participation in the Plan shall be determined by the Committee in its sole discretion.

5.3 **General Requirement**. The vesting and exercise of Awards granted to a prospective Eligible Individual are conditioned upon such individual actually becoming an Eligible Employee or Consultant, respectively.

5.4 **Company Repurchase Right**.

(a) Repurchase Right. Upon a Termination of the Participant, the Company shall have the right (but not the obligation) to repurchase all or any portion of the shares of Common Stock acquired pursuant to an Award (such shares of Common Stock, the "Award Shares") at a price equal to the Fair Market Value of the shares of Common Stock to be repurchased, measured as of the date of the Repurchase

Notice (as defined in Section 5.4(b)) (the "Repurchase Price"). The duration and other material terms of the Company's repurchase right pursuant to this Section 5.4 shall be determined by the Board and may vary among Eligible Employees and Awards

(b) Repurchase Notice. In order to exercise its right pursuant to Section 5.4, the Company must deliver a written notice to the Participant (the "Repurchase Notice"), which Repurchase Notice shall set forth the number of Award Shares to be acquired, the Repurchase Price, and the time and place for the closing of the repurchase contemplated by this Section 5.4 (the "Repurchase Closing").

(c) Fair Market Value Dispute. If, within thirty (30) days of the Participant's receipt of the Repurchase Notice, the Participant delivers to the Company a statement setting forth the Participant's disagreement with the Fair Market Value determination and including the Participant's proposed Fair Market Value (the "Dispute Notice"), then the Company and the Participant will, within thirty (30) days of the Participant's delivery of the Dispute Notice, engage a nationally recognized accounting firm experienced in the valuation of private companies that is mutually agreeable to the Participant and the Committee and independent of each of the parties (the "Auditor"), to resolve such dispute. For this purpose, an accounting firm shall be considered independent of each of the parties if, within the prior two-year period, the accounting firm has neither (i) provided any services to the Company or any of its Affiliates, nor (ii) performed any substantial services for the Participant. The Company, the Committee and the Participant shall promptly provide the Auditor with any information requested by the Auditor as necessary or appropriate in resolving such dispute. The Auditor shall review such information and, within thirty (30) days of its appointment, shall deliver its determination of Fair Market Value, which, absent a court's finding of fraud or manifest error, shall be binding on the parties; provided, that the Auditor shall not be permitted or authorized to determine a Fair Market Value that is outside of the range between the Fair Market Value proposed by the Committee and the Fair Market Value proposed by the Participant in the Dispute Notice. The fees and expenses of the Auditor shall be borne by (x) the Company, if the final Fair Market Value determined by the Auditor is greater than 107.5% of the Fair Market Value initially determined by the Committee, and (y) the Participant, if the final Fair Market Value determined by the Auditor is less than or equal to 107.5% of the Fair Market Value initially determined by the Committee.

(d) Repurchase Closing. The Repurchase Closing shall take place on the date designated by the Company in the Repurchase Notice, which date shall be on or before the thirtieth day following the date of the Repurchase Notice (the "Repurchase Closing Date"). On the Repurchase Closing Date, the Company must pay for the Award Shares to be purchased by it in cash, payable by, at the Company's election, delivery of a cashier's or bank check or a wire transfer of immediately available funds.

(e) Liquidity Limitations. If payment of all or a portion of the Repurchase Price by the Company would violate applicable law or any bona fide third party credit agreements to which the Company is a party (the "Bona Fide Agreements"), the Company may pay such portion of the Repurchase Price as soon as practicable following the lapse of such prohibitions or restrictions, but in any event no later than the second anniversary of the original Repurchase Closing Date. If permitted by applicable law and the Bona Fide Agreements, the Company will issue an unsecured promissory note to the Participant in the event of any tolling under this Section 5.4(e), which promissory note will bear interest at the prime rate as published in *The Wall Street Journal* for the day immediately preceding the date of the issuance of the promissory note.

(f) Expiration of Repurchase Rights. The repurchase rights granted in this Section 5.4 shall terminate upon the Registration Date.

ARTICLE 6
STOCK OPTIONS

6.1 **Options**. Stock Options may be granted alone or in addition to other Awards granted under the Plan. Each Stock Option granted under the Plan shall be of one of two types: (a) an Incentive Stock Option or (b) a Non-Qualified Stock Option.

6.2 **Grants**. The Committee shall have the authority to grant to any Eligible Employee one or more Incentive Stock Options, Non-Qualified Stock Options, or both types of Stock Options, in each case, pursuant to an Award Agreement. The Committee shall have the authority to grant any Consultant one or more Non-Qualified Stock Options. To the extent that any Stock Option does not qualify as an Incentive Stock Option (whether because of its provisions or the time or manner of its exercise or otherwise), such Stock Option or the portion thereof which does not so qualify shall constitute a separate Non-Qualified Stock Option.

6.3 **Incentive Stock Options**. Notwithstanding anything in the Plan to the contrary, no term of the Plan relating to Incentive Stock Options shall be interpreted, amended or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code, or, without the consent of the Participants affected, to disqualify any Incentive Stock Option under such Section 422.

6.4 **Terms of Options**. Options granted under the Plan shall be subject to the following terms and conditions and shall be in such form and contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable, including those set forth in an Award Agreement:

(a) Exercise Price. The exercise price per share of Common Stock subject to a Stock Option shall be determined by the Committee at the time of grant, provided that the per share exercise price of a Stock Option shall not be less than 100% (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, 110%) of the Fair Market Value of the Common Stock at the time of grant.

(b) Stock Option Term. The term of each Stock Option shall be fixed by the Committee, provided that no Stock Option shall be exercisable more than 10 years after the date the Option is granted; and provided further that the term of an Incentive Stock Option granted to a Ten Percent Stockholder shall not exceed five years.

(c) Exercisability. Unless otherwise provided by the Committee in accordance with the provisions of this Section 6.4, Stock Options granted under the Plan shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at the time of grant. If the Committee provides, in its discretion, that any Stock Option is exercisable subject to certain limitations (including, without limitation, that such Stock Option is exercisable only in installments or within certain time periods), the Committee may waive such limitations on the exercisability at any time at or after the time of grant in whole or in part (including, without limitation, waiver of the installment exercise provisions or acceleration of the time at which such Stock Option may be exercised), based on such factors, if any, as the Committee shall determine, in its sole discretion.

(d) Method of Exercise. Subject to whatever installment exercise and waiting period provisions apply under Section 6.4(c), to the extent vested, Stock Options may be exercised in whole or in part at any time during the Option term, by giving written notice of exercise to the Company (or to its agent specifically designated for such purpose) specifying the number of shares of Common Stock to be purchased (which notice may be provided in an electronic form to the extent acceptable to the Committee

and the Company). Such notice shall be accompanied by payment in full of the purchase price as follows: (i) in cash or by check, bank draft or money order payable to the order of the Company; (ii) solely to the extent permitted by applicable law, if the Common Stock is traded on a national securities exchange, and the Committee authorizes, through a procedure whereby the Participant delivers irrevocable instructions to a broker reasonably acceptable to the Committee to deliver promptly to the Company shares of Common Stock with an aggregate value equal to the purchase price; (iii) by having the Company withhold shares of Common Stock issuable upon exercise of the Stock Option; or (iv) on such other terms and conditions as may be acceptable to the Committee (including, without limitation, with the consent of the Committee, by payment in full or in part in the form of Common Stock owned by the Participant, based on the Fair Market Value of the Common Stock on the payment date as determined by the Committee). No shares of Common Stock shall be issued until payment therefor, as provided herein, has been made or provided for.

(e) Non-Transferability of Options. No Stock Option shall be Transferable by the Participant other than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Participant's lifetime, only by the Participant. Notwithstanding the foregoing, the Committee may determine, in its sole discretion, at the time of grant or thereafter that a Non-Qualified Stock Option that is otherwise not Transferable pursuant to this Section is Transferable to a Family Member in whole or in part and in such circumstances, and under such conditions, as specified by the Committee. A Non-Qualified Stock Option that is Transferred to a Family Member pursuant to the preceding sentence (i) may not be subsequently Transferred other than by will or by the laws of descent and distribution; (ii) remains subject to the terms of the Plan and the applicable Award Agreement; and (iii) may be exercised by such Family Member. Any shares of Common Stock acquired upon the exercise of a Non-Qualified Stock Option by a permissible transferee of a Non-Qualified Stock Option or a permissible transferee pursuant to a Transfer after the exercise of the Non-Qualified Stock Option shall be subject to the terms of the Plan and the applicable Award Agreement.

(f) Termination by Death or Disability. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination is by reason of death or Disability, all Stock Options that are held by such Participant that are vested and exercisable at the time of the Participant's Termination may be exercised by the Participant (or in the case of the Participant's death, by the legal representative of the Participant's estate) at any time within a period of one (1) year from the date of such Termination, but in no event beyond the expiration of the stated term of such Stock Options; provided, however, that, in the event of a Participant's Termination by reason of Disability, if the Participant dies within such exercise period, all unexercised Stock Options held by such Participant shall thereafter be exercisable, to the extent to which they were exercisable at the time of death, for a period of one (1) year from the date of such death, but in no event beyond the expiration of the stated term of such Stock Options.

(g) Involuntary Termination Without Cause. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination is by involuntary termination by the Company without Cause, all Stock Options that are held by such Participant that are vested and exercisable at the time of the Participant's Termination may be exercised by the Participant at any time within a period of ninety (90) days from the date of such Termination, but in no event beyond the expiration of the stated term of such Stock Options.

(h) Voluntary Resignation. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination is voluntary (other than a voluntary termination described in Section 6.4(i)(y) hereof), all Stock Options that are held by such Participant that are vested and exercisable at the time of the Participant's Termination may be exercised by the Participant at any time within a period of thirty (30) days from the date of such Termination, but in no event beyond the expiration of the stated term of such Stock Options.

(i) Termination for Cause. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination (x) is for Cause or (y) is a voluntary Termination (as provided in Section 6.4(h)) after the occurrence of an event that would be grounds for a Termination for Cause, all Stock Options, whether vested or not vested, that are held by such Participant shall thereupon terminate and expire as of the date of such Termination.

(j) Unvested Stock Options. Unless otherwise determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, Stock Options that are not vested as of the date of a Participant's Termination for any reason shall terminate and expire as of the date of such Termination.

(k) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined as of the time of grant) of the Common Stock with respect to which Incentive Stock Options are exercisable for the first time by an Eligible Employee during any calendar year under the Plan and/or any other stock option plan of the Company, any Subsidiary or any Parent exceeds $100,000, such Options shall be treated as Non-Qualified Stock Options. In addition, if an Eligible Employee does not remain employed by the Company, any Subsidiary or any Parent at all times from the time an Incentive Stock Option is granted until three months prior to the date of exercise thereof (or such other period as required by applicable law), such Stock Option shall be treated as a Non-Qualified Stock Option. Should any provision of the Plan not be necessary in order for the Stock Options to qualify as Incentive Stock Options, or should any additional provisions be required, the Committee may amend the Plan accordingly, without the necessity of obtaining the approval of the stockholders of the Company.

(l) Form, Modification, Extension and Renewal of Stock Options. Subject to the terms and conditions and within the limitations of the Plan, including those set forth in the following sentence, Stock Options shall be evidenced by such form of agreement or grant as is approved by the Committee, and the Committee may (i) modify, extend or renew outstanding Stock Options granted under the Plan (provided that the rights of a Participant are not reduced without such Participant's consent and provided, further, that such action does not subject the Stock Options to Section 409A of the Code without the consent of the Participant), and (ii) accept the surrender of outstanding Stock Options (to the extent not theretofore exercised) and authorize the granting of new Stock Options or other Awards in substitution therefor (to the extent not theretofore exercised). Notwithstanding the foregoing, except in connection with a corporate transaction involving the Company in accordance with Section 4.2 (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), an outstanding Stock Option may not be modified to reduce the exercise price thereof nor may a new Stock Option at a lower price be substituted for a surrendered Stock Option, unless such action is approved by the stockholders of the Company.

(m) Early Exercise. The Committee may provide that a Stock Option include a provision whereby the Participant may elect at any time before the Participant's Termination to exercise the Stock Option as to any part or all of the shares of Common Stock subject to the Stock Option prior to the full vesting of the Stock Option, and such shares shall be subject to the provisions of Article 7 and be treated as Restricted Stock, which will remain subject to the original vesting schedule applicable to the predecessor Stock Option. Unvested shares of Common Stock so purchased may be subject to a repurchase option in favor of the Company or to any other restriction the Committee determines to be appropriate.

(n) Other Terms and Conditions. The Committee may include a provision in an Award Agreement providing for the automatic exercise of a Non-Qualified Stock Option on a cashless basis on the last day of the term of such Option if the Participant has failed to exercise the Non-Qualified Stock Option as of such date, with respect to which the Fair Market Value of the shares of Common Stock underlying the

Non-Qualified Stock Option exceeds the exercise price of such Non-Qualified Stock Option on the date of expiration of such Option, subject to Section 13.4. Stock Options may contain such other provisions, which shall not be inconsistent with any of the terms of the Plan, as the Committee shall deem appropriate. The recipient of a Stock Option under this Article 6 shall not be entitled to receive, currently or on a deferred basis, dividends or dividend equivalents in respect of the number of shares of Common Stock covered by the Stock Option. The Company will evidence each Participant's ownership of Common Stock issued upon exercise of a Stock Option pursuant to a designated system, such as book entries by the transfer agent; if a stock certificate for such shares of Common Stock is issued, it will be substantially in the form set forth in Section 7.2(c).

ARTICLE 7
RESTRICTED STOCK

7.1 **Awards of Restricted Stock**. Shares of Restricted Stock may be issued either alone or in addition to other Awards granted under the Plan. The Committee shall determine the Eligible Individuals, to whom, and the time or times at which, grants of Restricted Stock shall be made, the number of shares to be awarded, the price (if any) to be paid by the Participant (subject to Section 7.2), the time or times within which such Awards may be subject to forfeiture, the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the Awards.

The Committee may condition the grant or vesting of Restricted Stock upon the attainment of specified performance targets (including, the Performance Goals) or such other factor as the Committee may determine in its sole discretion, including to comply with the requirements of Section 162(m) of the Code.

7.2 **Awards and Certificates**. If required by the Award Agreement, Eligible Individuals selected to receive Restricted Stock shall not have any right with respect to such Award, unless and until such Participant has delivered a fully executed copy of the Award Agreement evidencing the Award to the Company, to the extent required by the Committee, and has otherwise complied with the applicable terms and conditions of such Award. Further, such Award shall be subject to the following conditions:

(a) Purchase Price. The purchase price of Restricted Stock shall be fixed by the Committee. Subject to Section 4.3, the purchase price for shares of Restricted Stock may be zero to the extent permitted by applicable law, and, to the extent not so permitted, such purchase price may not be less than par value.

(b) Acceptance. Awards of Restricted Stock must be accepted within a period of sixty (60) days (or such shorter period as the Committee may specify at grant) after the grant date, by executing a Restricted Stock Award Agreement and by paying whatever price (if any) the Committee has designated thereunder.

(c) Legend. The Company will evidence each Participant's ownership of Restricted Stock pursuant to a designated system, such as book entries by the transfer agent. If a stock certificate for such shares of Restricted Stock is issued, such certificate shall be registered in the name of such Participant, and shall, in addition to such legends required by applicable securities laws, bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, substantially in the following form:

> "The anticipation, alienation, attachment, sale, transfer, assignment, pledge, encumbrance or charge of the shares of stock represented hereby are subject to the terms and conditions (including forfeiture) of the Berry

Petroleum Corporation (the "Company") 2017 Omnibus Incentive Plan (the "Plan") and an Agreement entered into between the registered owner and the Company dated. Copies of such Plan and Agreement are on file at the principal office of the Company."

(d) Custody. If stock certificates are issued in respect of shares of Restricted Stock, the Committee may require that any stock certificates evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed, and that, as a condition of any grant of Restricted Stock, the Participant shall have delivered a duly signed stock power or other instruments of assignment (including a power of attorney), each endorsed in blank with a guarantee of signature if deemed necessary or appropriate by the Company, which would permit transfer to the Company of all or a portion of the shares subject to the Restricted Stock Award in the event that such Award is forfeited in whole or part or otherwise transferred to the Company.

7.3 **Restrictions and Conditions**. The shares of Restricted Stock awarded pursuant to the Plan shall be subject to the following restrictions and conditions:

(a) Restriction Period.

(i) The Participant shall not be permitted to Transfer shares of Restricted Stock awarded under the Plan during the period or periods set by the Committee (the "Restriction Period") commencing on the date of such Award, as set forth in the Restricted Stock Award Agreement and such agreement shall set forth a vesting schedule and any event that would accelerate vesting of the shares of Restricted Stock. Within these limits, based on service, attainment of Performance Goals pursuant to Section 7.3(a)(ii) and/or such other factors or criteria as the Committee may determine in its sole discretion, the Committee may condition the grant or provide for the lapse of such restrictions in installments in whole or in part, or may accelerate the vesting of all or any part of any Restricted Stock Award and/or waive the deferral limitations for all or any part of any Restricted Stock Award.

(ii) If the grant of shares of Restricted Stock or the lapse of restrictions is based on the attainment of Performance Goals, the Committee shall establish the objective Performance Goals and the applicable vesting percentage of the Restricted Stock applicable to each Participant or class of Participants in writing prior to the beginning of the applicable fiscal year or at such later date as otherwise determined by the Committee and while the outcome of the Performance Goals are substantially uncertain. Such Performance Goals may incorporate provisions for disregarding (or adjusting for) changes in accounting methods, corporate transactions (including, without limitation, dispositions and acquisitions) and other similar type events or circumstances. With regard to a Restricted Stock Award that is intended to comply with Section 162(m) of the Code, to the extent that any such provision would create impermissible discretion under Section 162(m) of the Code or otherwise violate Section 162(m) of the Code, such provision shall be of no force or effect.

(b) Rights as a Stockholder. Except as provided in Section 7.3(a) and this Section 7.3(b) or as otherwise determined by the Committee in an Award Agreement, the Participant shall have, with respect to the shares of Restricted Stock, all of the rights of a holder of shares of Common Stock of the Company, including, without limitation, the right to receive dividends (the payment of which may be deferred until, and conditioned upon, the expiration of the applicable Restriction Period, as determined in the Committee's sole discretion), the right to vote such shares and, subject to and conditioned upon the full vesting of shares of Restricted Stock, the right to tender such shares.

(c) Termination. Unless otherwise determined by the Committee at grant or, if no rights of the Participant are reduced, thereafter, subject to the applicable provisions of the Award Agreement

and the Plan, upon a Participant's Termination for any reason during the relevant Restriction Period, all Restricted Stock still subject to restriction will be forfeited in accordance with the terms and conditions established by the Committee at grant or thereafter.

(d) Lapse of Restrictions. If and when the Restriction Period expires without a prior forfeiture of the shares of Restricted Stock, such earned shares (and to the extent ownership of such shares is evidenced by stock certificates, the stock certificates for such shares) shall be delivered to the Participant. All legends shall be removed from said certificates at the time of delivery to the Participant, except as otherwise required by applicable law or other limitations imposed by the Committee.

ARTICLE 8
PERFORMANCE AWARDS

8.1 **Performance Awards**. The Committee may grant a Performance Award to a Participant payable upon the attainment of specific Performance Goals. The Committee may grant Performance Awards that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code, as well as Performance Awards that are not intended to qualify as "performance-based compensation" under Section 162(m) of the Code. If the Performance Award is payable in shares of Restricted Stock, such shares shall be transferable to the Participant only upon attainment of the relevant Performance Goal in accordance with Article 7. If the Performance Award is payable in cash, it may be paid upon the attainment of the relevant Performance Goals either in cash or in shares of Restricted Stock (based on the then current Fair Market Value of such shares), as determined by the Committee, in its sole and absolute discretion. Each Performance Award shall be evidenced by an Award Agreement in such form that is not inconsistent with the Plan and that the Committee may from time to time approve. With respect to Performance Awards that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the Committee shall condition the right to payment of any Performance Award upon the attainment of objective Performance Goals established pursuant to Section 8.2(c).

8.2 **Terms and Conditions**. Performance Awards awarded pursuant to this Article 8 shall be subject to the following terms and conditions:

(a) Earning of Performance Award. At the expiration of the applicable Performance Period, the Committee shall determine the extent to which the Performance Goals established pursuant to Section 8.2(c) are achieved and the percentage of each Performance Award that has been earned.

(b) Non-Transferability. Subject to the applicable provisions of the Award Agreement and the Plan, Performance Awards may not be Transferred during the Performance Period.

(c) Objective Performance Goals, Formulae or Standards. With respect to Performance Awards that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the Committee shall establish the objective Performance Goals for the earning of Performance Awards based on a Performance Period applicable to each Participant or class of Participants in writing prior to the beginning of the applicable Performance Period or at such later date as permitted under Section 162(m) of the Code and while the outcome of the Performance Goals are substantially uncertain. Such Performance Goals may incorporate, if and only to the extent permitted under Section 162(m) of the Code, provisions for disregarding (or adjusting for) changes in accounting methods, corporate transactions (including, without limitation, dispositions and acquisitions) and other similar type events or circumstances. To the extent that any such provision would create impermissible discretion under Section 162(m) of the Code or otherwise violate Section 162(m) of the Code, such provision shall be of no force or effect, with respect to Performance Awards that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code.

(d) Dividends. To the extent determined by the Committee, Participants shall be entitled to receive an amount equal to the dividends paid on the number of shares of Common Stock covered by the Performance Award; provided that the Committee may, in its sole discretion, provide for either of the following at the time of grant: (i) dividends or dividend equivalents will be paid as accrued but will be subject to the same vesting terms and conditions as the underlying Performance Award; or (ii) payment of dividends or dividend equivalents shall be deferred until, and conditioned upon, settlement of the underlying Performance Award.

(e) Payment. Following the Committee's determination in accordance with Section 8.2(a), the Company shall settle Performance Awards, in such form (including, without limitation, in shares of Common Stock or in cash) as determined by the Committee, in an amount equal to such Participant's earned Performance Awards. Notwithstanding the foregoing, the Committee may, in its sole discretion, award an amount less than the earned Performance Awards and/or subject the payment of all or part of any Performance Award to additional vesting, forfeiture and deferral conditions as it deems appropriate.

(f) Termination. Subject to the applicable provisions of the Award Agreement and the Plan, upon a Participant's Termination for any reason during the Performance Period for a given Performance Award, the Performance Award in question will vest or be forfeited in accordance with the terms and conditions established by the Committee at grant.

(g) Accelerated Vesting. Based on service, performance and/or such other factors or criteria, if any, as the Committee may determine, the Committee may, at or after grant, accelerate the vesting of all or any part of any Performance Award.

ARTICLE 9
OTHER STOCK-BASED AND CASH-BASED AWARDS

9.1 **Other Stock-Based Awards**. The Committee is authorized to grant to Eligible Individuals Other Stock-Based Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to shares of Common Stock, including but not limited to, shares of Common Stock awarded purely as a bonus and not subject to restrictions or conditions, shares of Common Stock in payment of the amounts due under an incentive or performance plan sponsored or maintained by the Company or an Affiliate, stock equivalent units, restricted stock units, and Awards valued by reference to book value of shares of Common Stock. Other Stock- Based Awards may be granted either alone or in addition to or in tandem with other Awards granted under the Plan.

Subject to the provisions of the Plan, the Committee shall have authority to determine the Eligible Individuals, to whom, and the time or times at which, such Awards shall be made, the number of shares of Common Stock to be awarded pursuant to such Awards, and all other conditions of the Awards. The Committee may also provide for the grant of Common Stock under such Awards upon the completion of a specified Performance Period.

The Committee may condition the grant or vesting of Other Stock-Based Awards upon the attainment of specified Performance Goals as the Committee may determine, in its sole discretion; provided that to the extent that such Other Stock-Based Awards are intended to comply with Section 162(m) of the Code, the Committee shall establish the objective Performance Goals for the grant or vesting of such Other Stock-Based Awards based on a Performance Period applicable to each Participant or class of Participants in writing prior to the beginning of the applicable Performance Period or at such later date as permitted under Section 162(m) of the Code and while the outcome of the Performance Goals are substantially uncertain. Such Performance Goals may incorporate, if and only to the extent permitted under Section 162(m) of the Code, provisions for disregarding (or adjusting for) changes in accounting methods, corporate

transactions (including, without limitation, dispositions and acquisitions) and other similar type events or circumstances.

To the extent that any such provision would create impermissible discretion under Section 162(m) of the Code or otherwise violate Section 162(m) of the Code, such provision shall be of no force or effect, with respect to Performance Awards that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code.

9.2 **Terms and Conditions**. Other Stock-Based Awards made pursuant to this Article 9 shall be subject to the following terms and conditions:

(a) Non-Transferability. Subject to the applicable provisions of the Award Agreement and the Plan, shares of Common Stock subject to Awards made under this Article 9 may not be Transferred prior to the date on which the shares are issued, or, if later, the date on which any applicable restriction, performance or deferral period lapses.

(b) Dividends. To the extent determined by the Committee, Participants shall be entitled to receive an amount equal to the dividends paid on the number of shares of Common Stock covered by Awards made under this Article 9; provided that the Committee may, in its sole discretion, provide for either of the following at the time of grant: (i) dividends or dividend equivalents will be paid as accrued but will be subject to the same vesting terms and conditions as the underlying Award; or (ii) payment of dividends or dividend equivalents shall be deferred until, and conditioned upon, settlement of the underlying Award.

(c) Vesting. Any Award under this Article 9 and any Common Stock covered by any such Award shall vest or be forfeited to the extent so provided in the Award Agreement, as determined by the Committee, in its sole discretion.

(d) Price. Common Stock issued on a bonus basis under this Article 9 may be issued for no cash consideration. Common Stock purchased pursuant to a purchase right awarded under this Article 9 shall be priced, as determined by the Committee in its sole discretion.

9.3 **Other Cash-Based Awards**. The Committee may from time to time grant Other Cash-Based Awards to Eligible Individuals in such amounts, on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by applicable law, as it shall determine in its sole discretion. Other Cash-Based Awards may be granted subject to the satisfaction of vesting conditions or may be awarded purely as a bonus and not subject to restrictions or conditions, and if subject to vesting conditions, the Committee may accelerate the vesting of such Awards at any time in its sole discretion. The grant of an Other Cash-Based Award shall not require a segregation of any of the Company's assets for satisfaction of the Company's payment obligation thereunder.

ARTICLE 10
CHANGE IN CONTROL PROVISIONS

10.1 **Benefits**. In the event of a Change in Control of the Company (as defined below), and except as otherwise provided by the Committee in an Award Agreement, a Participant's unvested Awards shall not vest automatically and a Participant's Awards shall be treated in accordance with one or more of the following methods as determined by the Committee:

(a) Awards, whether or not then vested, shall be continued, assumed, or have new rights substituted therefor, as determined by the Committee in a manner consistent with the requirements

of Section 409A of the Code, and restrictions to which shares of Restricted Stock or any other Award granted prior to the Change in Control are subject shall not lapse upon a Change in Control and the Restricted Stock or other Award shall, where appropriate in the sole discretion of the Committee, receive the same distribution as other Common Stock on such terms as determined by the Committee; provided that the Committee may decide to award additional Restricted Stock or other Awards in lieu of any cash distribution. Notwithstanding anything to the contrary herein, for purposes of Incentive Stock Options, any assumed or substituted Stock Option shall comply with the requirements of Treasury Regulation Section 1.424-1 (and any amendment thereto).

(b) The Committee, in its sole discretion, may provide for the purchase of any Awards by the Company or an Affiliate for an amount of cash equal to the excess (if any) of the Change in Control Price (as defined below) of the shares of Common Stock covered by such Awards, over the aggregate exercise price of such Awards. For purposes hereof, "Change in Control Price" shall mean the highest price per share of Common Stock paid in respect of the transaction that constitutes a Change in Control of the Company.

(c) The Committee may, in its sole discretion, terminate all outstanding and unexercised Stock Options or any Other Stock-Based Award that provides for a Participant elected exercise, effective as of the date of the Change in Control, by delivering notice of termination to each Participant at least twenty (20) days prior to the date of consummation of the Change in Control, in which case during the period from the date on which such notice of termination is delivered to the consummation of the Change in Control, each such Participant shall have the right to exercise in full all of such Participant's Awards that are then outstanding (without regard to any limitations on exercisability otherwise contained in the Award Agreements), but any such exercise shall be contingent on the occurrence of the Change in Control, and, provided that, if the Change in Control does not take place within a specified period after giving such notice for any reason whatsoever, the notice and exercise pursuant thereto shall be null and void.

(d) The Committee may, in its sole discretion, make any other determination as to the treatment of Awards in connection with such Change in Control as the Committee may determine. Any escrow, holdback, earnout or similar provisions in the definitive agreement(s) relating to such transaction may apply to any payment to the holders of Awards to the same extent and in the same manner as such provisions apply to the holders of shares of Common Stock.

Notwithstanding any other provision herein to the contrary, the Committee may, in its sole discretion, provide for accelerated vesting or lapse of restrictions, of an Award at any time.

10.2 **Change in Control.** Unless otherwise determined by the Committee in the applicable Award Agreement or other written agreement with a Participant approved by the Committee, a "Change in Control" shall be deemed to occur if:

(a) any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of Common Stock of the Company), becoming the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities;

(b) during any period of 24 consecutive calendar months, individuals who were directors of the Company on the first day of such period (the "Incumbent Directors") cease for any reason to constitute a majority of the Board; provided, however, that any individual becoming a director subsequent

to the first day of such period whose election, or nomination for election, by the Company's stockholders was approved by a vote of at least two-thirds of the Incumbent Directors will be considered as though such individual were an Incumbent Director, but excluding, for purposes of this proviso, any such individual whose initial assumption of office occurs as a result of an actual or threatened proxy contest with respect to election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a "person" (as used in Section 13(d) of the Exchange Act), in each case, other than the Board, which individual, for the avoidance of doubt, shall not be deemed to be an Incumbent Director for purposes of this Section 10.2(b), regardless of whether such individual was approved by a vote of at least two-thirds of the Incumbent Directors;

(c) consummation of a reorganization, merger, consolidation or other business combination (any of the foregoing, a "Business Combination") of the Company or any direct or indirect Subsidiary with any other corporation, in any case with respect to which the Company voting securities outstanding immediately prior to such Business Combination do not, immediately following such Business Combination, continue to represent (either by remaining outstanding or being converted into voting securities of the Company or any ultimate parent thereof) more than 50% of the then outstanding voting securities entitled to vote generally in the election of directors of the Company (or its successor) or any ultimate parent thereof after the Business Combination; or

(d) (i) a complete liquidation or dissolution of the Company or (ii) the consummation of a sale or disposition of all or substantially all of the assets of the Company and its Subsidiaries (on a consolidated basis) in one or a series of related transactions.

Notwithstanding the foregoing, with respect to any Award that is characterized as "nonqualified deferred compensation" within the meaning of Section 409A of the Code, an event shall not be considered to be a Change in Control under the Plan for purposes of payment of such Award unless such event is also a "change in ownership," a "change in effective control" or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Section 409A of the Code.

ARTICLE 11
TERMINATION OR AMENDMENT OF PLAN

Notwithstanding any other provision of the Plan, the Board may at any time, and from time to time, amend, in whole or in part, any or all of the provisions of the Plan (including any amendment deemed necessary to ensure that the Company may comply with any regulatory requirement referred to in Article 13 or Section 409A of the Code), or suspend or terminate it entirely, retroactively or otherwise; provided, however, that the rights of a Participant, with respect to all Awards granted prior to such amendment, suspension or termination, may not be impaired in any way without the express written consent of such Participant. Notwithstanding anything herein to the contrary, the Board may amend the Plan or any Award Agreement at any time without a Participant's consent only to comply with applicable law, including Section 409A of the Code. The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively, but, subject to Article 4 or as otherwise specifically provided herein, no such amendment or other action by the Committee shall impair the rights of any holder in any way without the holder's express written consent.

ARTICLE 12
UNFUNDED STATUS OF PLAN

The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payment as to which a Participant has a fixed and vested interest but which are not yet

made to a Participant by the Company, nothing contained herein shall give any such Participant any right that is greater than those of a general unsecured creditor of the Company.

ARTICLE 13
GENERAL PROVISIONS

13.1 **Legend**. The Committee may require each person receiving shares of Common Stock pursuant to a Stock Option or other Award under the Plan to represent to and agree with the Company in writing that the Participant is acquiring the shares without a view to distribution thereof. In addition to any legend required by the Plan, the certificates for such shares (if any) may include any legend that the Committee deems appropriate to reflect any restrictions on Transfer. All certificates for shares of Common Stock (to the extent such shares are certificated) delivered under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed or any national securities exchange system or over-the-counter market upon whose system the Common Stock is then quoted, any applicable federal or state securities law, and any applicable corporate law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

13.2 **Other Plans**. Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required, and such arrangements may be either generally applicable or applicable only in specific cases.

13.3 **No Right to Employment/Consultancy**. Neither the Plan nor the grant of any Option or other Award hereunder shall give any Participant or other employee or Consultant any right with respect to continuance of employment or consultancy by the Company or any Affiliate, nor shall the Plan nor the grant of any Option or other Award hereunder limit in any way the right of the Company or any Affiliate by which an employee is employed or a Consultant is retained to terminate such employment or consultancy at any time.

13.4 **Withholding of Taxes**.

(a) General. Subject to Section 13.4(b), as a condition to the settlement of any Award hereunder, a Participant shall be required to pay in cash, or to make other arrangements reasonably satisfactory to the Company (including, without limitation, authorizing withholding from payroll and any other amounts payable to the Participant), an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its good faith discretion, deems necessary to comply with the Code and/or any other applicable law, rule or regulation with respect to the Award. Unless the tax withholding obligations of the Company are satisfied, the Company shall have no obligation to issue a certificate or book-entry transfer for such Shares.

(b) Common Stock Not Publicly Traded. Notwithstanding anything to the contrary in Section 13.4(a), in the event the shares of Common Stock are not listed for trading on an established securities exchange on the date an Award vests and/or is settled, then the Company shall, at the request of the Participant, deduct or withhold shares of Common Stock having a Fair Market Value equal to the amount required to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) to the maximum extent permitted by the accounting rules applicable to the Company as then in effect without adverse accounting treatment.

13.5 **No Assignment of Benefits**. No Award or other benefit payable under the Plan shall, except as otherwise specifically provided by law or permitted by the Committee, be Transferable in any manner, and any attempt to Transfer any such benefit shall be void, and any such benefit shall not in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person who shall be entitled to such benefit, nor shall it be subject to attachment or legal process for or against such person.

13.6 **Listing and Other Conditions**.

(a) Unless otherwise determined by the Committee, as long as the Common Stock is listed on a national securities exchange, system sponsored by a national securities association or recognized over-the-counter market, the issuance of shares of Common Stock pursuant to an Award shall be conditioned upon such shares being listed on such exchange, system or market. The Company shall have no obligation to issue such shares unless and until such shares are so listed, and the right to exercise any Option or other Award with respect to such shares shall be suspended until such listing has been effected.

(b) If at any time counsel to the Company shall be of the opinion that any sale or delivery of shares of Common Stock pursuant to an Option or other Award is or may in the circumstances be unlawful or result in the imposition of excise taxes on the Company under the statutes, rules or regulations of any applicable jurisdiction, the Company shall have no obligation to make such sale or delivery, or to make any application or to effect or to maintain any qualification or registration under the Securities Act or otherwise, with respect to shares of Common Stock or Awards, and the right to exercise any Option or other Award shall be suspended until, in the opinion of said counsel, such sale or delivery shall be lawful or will not result in the imposition of excise taxes on the Company.

(c) Upon termination of any period of suspension under this Section 13.6, any Award affected by such suspension which shall not then have expired or terminated shall be reinstated as to all shares available before such suspension and as to shares which would otherwise have become available during the period of such suspension, but no such suspension shall extend the term of any Award.

(d) A Participant shall be required to supply the Company with certificates, representations and information that the Company requests and otherwise cooperate with the Company in obtaining any listing, registration, qualification, exemption, consent or approval the Company deems necessary or appropriate.

13.7 **Governing Law**. The Plan and actions taken in connection herewith shall be governed and construed in accordance with the laws of the State of Texas (regardless of the law that might otherwise govern under applicable Texas principles of conflict of laws).

13.8 **Jurisdiction; Waiver of Jury Trial**. Any suit, action or proceeding with respect to the Plan or any Award Agreement, or any judgment entered by any court of competent jurisdiction in respect of any thereof, shall be resolved only in the courts of the State of Texas or the United States District Court for the Southern District of Texas and the appellate courts having jurisdiction of appeals in such courts. In that context, and without limiting the generality of the foregoing, the Company and each Participant shall irrevocably and unconditionally (a) submit in any proceeding relating to the Plan or any Award Agreement, or for the recognition and enforcement of any judgment in respect thereof (a "Proceeding"), to the exclusive jurisdiction of the courts of the State of Texas, the court of the United States of America for the Southern District of Texas, and appellate courts having jurisdiction of appeals from any of the foregoing, and agree that Tax claims in respect of any such Proceeding shall be heard and determined in such Texas State court or, to the extent permitted by law, in such federal court, (b) consent that any such Proceeding may and shall be brought in such courts and waives any objection that the Company and each Participant may now or

thereafter have to the venue or jurisdiction of any such Proceeding in any such court or that such Proceeding was brought in an inconvenient court and agree not to plead or claim the same, (c) waive all right to trial by jury in any Proceeding (whether based on contract, tort or otherwise) arising out of or relating to the Plan or any Award Agreement, (d) agree that service of process in any such Proceeding may be effected by mailing a copy of such process by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party, in the case of a Participant, at the Participant's address shown in the books and records of the Company or, in the case of the Company, at the Company's principal offices, attention General Counsel, and (e) agree that nothing in the Plan shall affect the right to effect service of process in any other manner permitted by the laws of the State of Texas.

13.9 **Construction**. Wherever any words are used in the Plan or an Award Agreement in the masculine gender they shall be construed as though they were also used in the feminine gender in all cases where they would so apply, and wherever words are used herein in the singular form they shall be construed as though they were also used in the plural form in all cases where they would so apply.

13.10 **Other Benefits**. No Award granted or paid out under the Plan shall be deemed compensation for purposes of computing benefits under any retirement plan of the Company or its Affiliates nor affect any benefit under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation.

13.11 **Costs**. The Company shall bear all expenses associated with administering the Plan, including expenses of issuing Common Stock pursuant to Awards hereunder.

13.12 **No Right to Same Benefits**. The provisions of Awards need not be the same with respect to each Participant, and such Awards to individual Participants need not be the same in subsequent years.

13.13 **Death/Disability**. The Committee may in its discretion require the transferee of a Participant to supply it with written notice of the Participant's death or Disability and to supply it with a copy of the will (in the case of the Participant's death) or such other evidence as the Committee deems necessary to establish the validity of the transfer of an Award. The Committee may also require that the agreement of the transferee to be bound by all of the terms and conditions of the Plan and the applicable Award Agreement.

13.14 **Section 16(b) of the Exchange Act**. All elections and transactions under the Plan by persons subject to Section 16 of the Exchange Act involving shares of Common Stock are intended to comply with any applicable exemptive condition under Rule 16b-3. The Committee may establish and adopt written administrative guidelines, designed to facilitate compliance with Section 16(b) of the Exchange Act, as it may deem necessary or proper for the administration and operation of the Plan and the transaction of business thereunder.

13.15 **Section 409A of the Code**. The Plan is intended to comply with the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent. To the extent that any Award is subject to Section 409A of the Code, it shall be paid in a manner that will comply with Section 409A of the Code, including proposed, temporary or final regulations or any other guidance issued by the Secretary of the Treasury and the Internal Revenue Service with respect thereto. Notwithstanding anything herein to the contrary, any provision in the Plan that is inconsistent with Section 409A of the Code shall be deemed to be amended to comply with Section 409A of the Code and to the extent such provision cannot be amended to comply therewith, such provision shall be null and void. The Company shall have no liability to a Participant, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee or the Company and, in the event that any amount or benefit under the Plan becomes

subject to penalties under Section 409A of the Code, responsibility for payment of such penalties shall rest solely with the affected Participants and not with the Company. Notwithstanding any contrary provision in the Plan or Award Agreement, any payment(s) of "nonqualified deferred compensation" (within the meaning of Section 409A of the Code) that are otherwise required to be made under the Plan to a "specified employee" (as defined under Section 409A of the Code) as a result of such employee's separation from service (other than a payment that is not subject to Section 409A of the Code) shall be delayed for the first six (6) months following such separation from service (or, if earlier, the date of death of the specified employee) and shall instead be paid (in a manner set forth in the Award Agreement) upon expiration of such delay period.

13.16 **Successors and Assigns**. The Plan and any applicable Award Agreement(s) shall be binding on all successors and permitted assigns of a Participant, including, without limitation, the estate of such Participant and the executor, administrator or trustee of such estate.

13.17 **Severability of Provisions**. If any provision of the Plan or any Award Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and the Plan and/or Award Agreement shall be construed and enforced as if such provisions had not been included.

13.18 **Payments to Minors, Etc**. Any benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receipt thereof shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Committee, the Board, the Company, its Affiliates and their officers, directors/managers, employees, agents and representatives with respect thereto.

13.19 **Headings and Captions**. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

13.20 **Section 162(m) of the Code**. Notwithstanding any other provision of the Plan to the contrary, the provisions of the Plan requiring compliance with Section 162(m) of the Code shall not apply to Awards granted under the Plan that are not intended to qualify as "performance- based compensation" under Section 162(m) of the Code.

13.21 **Company Recoupment of Awards**. A Participant's rights with respect to any Award hereunder shall in all events be subject to any right or obligation that the Company may have regarding the clawback of "incentive-based compensation" under Section 10D of the Exchange Act and any applicable rules and regulations promulgated thereunder from time to time by the U.S. Securities and Exchange Commission.

ARTICLE 14
EFFECTIVE DATE OF PLAN

The Plan shall become effective upon its adoption by the Board.

ARTICLE 15
TERM OF PLAN

No Award shall be granted pursuant to the Plan on or after the tenth anniversary of the earlier of the date that the Plan is adopted or the date of stockholder approval, but Awards granted prior to such tenth anniversary may extend beyond that date; provided that no Award (other than a Stock Option) that is

intended to be “performance-based compensation” under Section 162(m) of the Code shall be granted on or after the fifth anniversary of the stockholder approval of the Plan unless the Performance Goals are re-approved (or other designated Performance Goals are approved) by the stockholders no later than the first stockholder meeting that occurs in the fifth year following the year in which stockholders approve the Performance Goals. For purposes of the Plan, approval by the bankruptcy court shall serve as stockholder approval, unless otherwise prohibited by law.

ARTICLE 16
NAME OF PLAN

The Plan shall be known as the “Berry Petroleum Corporation 2017 Omnibus Incentive Plan.”

EXHIBIT A

PERFORMANCE GOALS

To the extent permitted under Section 162(m) of the Code, performance goals established for purposes of Awards intended to be "performance-based compensation" under Section 162(m) of the Code, shall be based on the attainment of certain target levels of, or a specified increase or decrease (as applicable) in one or more of the following:

- Non-GAAP performance measures included in any of the Company's SEC filings;
- Line items on the Company's income statement, including but not limited to net interest income, total other income, total costs and expenses, income before taxes, net income and/or earnings per share;
- Line items on the Company's balance sheet, including but not limited to debt or other similar financial obligations of the Company, which may be calculated net of cash balances and/or other offsets and adjustments as may be established by the Committee in its sole discretion;
- Line items on the Company's statement of cash flows, including but not limited to net cash provided in (used by) operating activities, investing activities, and/or financing activities;
- Market share;
- Operational metrics, including but not limited to generation performance, customer churn, residential ending customer count, customer satisfaction, average days sales outstanding, energizing events issues/success, customer complaints/success, systems availability and downtime, contribution margin, and safety and environmental improvements;
- Financial ratios, including but not limited to operating margin, return on equity, return on assets, and/or return on invested capital; or
- Total shareholder return, the fair market value of a share of Common Stock, or the growth in value of an investment in the Common Stock assuming the reinvestment of dividends.

With respect to Awards that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code, to the extent permitted under Section 162(m) of the Code, the Committee may, in its sole discretion, also exclude, or adjust to reflect, the impact of an event or occurrence that the Committee determines should be appropriately excluded or adjusted, including:

(a) restructurings, discontinued operations, extraordinary items or events, and other unusual or non-recurring charges as described in Accounting Standards Codification 225-20, "Extraordinary and Unusual Items," and/or management's discussion and analysis of financial condition and results of operations appearing or incorporated by reference in the Company's Form 10-K for the applicable year;

(b) an event either not directly related to the operations of the Company or not within the reasonable control of the Company's management;

(c) a change in tax law or accounting standards required by generally accepted accounting principles; or

(d) a decision to accelerate or defer capital expenditures or expenses contrary to the timing reflected in the Company's annual financial plan.

Performance goals may also be based upon individual participant performance goals, as determined by the Committee, in its sole discretion. In addition, Awards that are not intended to qualify as "performance-based compensation" under Section 162(m) of the Code may be based on the performance goals set forth herein or on such other performance goals as determined by the Committee in its sole discretion or without regard to any performance goals.

In addition, such performance goals may be based upon the attainment of specified levels of Company (or subsidiary, division, other operational unit, administrative department or product category of the Company) performance under one or more of the measures described above relative to the performance of one or more other companies or one or more groups of companies (e.g., an index). With respect to Awards that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code, to the extent permitted under Section 162(m) of the Code, but only to the extent permitted under Section 162(m) of the Code (including, without limitation, compliance with any requirements for stockholder approval), the Committee may also:

(a) designate additional business criteria on which the performance goals may be based; or

(b) adjust, modify or amend the aforementioned business criteria.

Exhibit 10.14

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this "**Agreement**") is made and entered into as of , between Berry Petroleum Corporation, a Delaware corporation (the "**Company**"), and the undersigned ("**Indemnitee**").

BACKGROUND

Highly competent persons are reluctant to serve corporations as directors or officers or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation.

The Board of Directors of the Company (the "**Board**") has determined that, in order to attract and retain qualified individuals, the Company will, unless certain conditions described below are met, maintain on an ongoing basis, at its sole expense, liability insurance to protect certain persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions.

Directors, officers, and other persons in service to corporations or business enterprises are subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself.

The Amended and Restated Certificate of Incorporation of the Company (the "**Certificate**") requires indemnification of the officers and directors of the Company to the full extent permissible under applicable law. Indemnitee may also be entitled to indemnification pursuant to the Delaware General Corporation Law (the "**DGCL**"). The Certificate and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the Board, officers, and other persons with respect to indemnification.

The uncertainties relating to insurance and to indemnification have increased the difficulty of attracting and retaining persons to serve. The Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company's stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future.

It is reasonable, prudent, and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified.

This Agreement is a supplement to and in furtherance of the Certificate, the Bylaws, any resolutions adopted by the Board, and any other rights of the Indemnitee, and will not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Indemnitee does not regard the protection available under the Company's Certificate and insurance as adequate in the present circumstances; may not be willing to serve as an officer or director without adequate protection; and the Company desires Indemnitee to serve in such capacity. Indemnitee is willing to serve, continue to serve, and to take on additional service for or on behalf of the Company on the condition that he or she be so indemnified.

THEREFORE, in consideration of the foregoing and of Indemnitee's agreement to serve as an officer or director or both after the date of this Agreement, the parties to this Agreement agree as follows:

1. Indemnification of Indemnitee. The Company hereby agrees to defend, hold harmless, and indemnify Indemnitee to the fullest extent permitted by law, as such may be amended from time to time. In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Proceedings Other Than Proceedings by or in the Right of the Company. Indemnitee will be entitled to the rights of indemnification provided in this Section 1(a) if, by reason of his or her Corporate Status, the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding other than a Proceeding by or in the right of the Company. Pursuant to this Section 1(a), the Company will indemnify, defend, and hold Indemnitee harmless to the fullest extent permitted by applicable law, as such may be amended from time to time (but in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than permitted prior to such amendment), against all Expenses, judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her, or on his or her behalf, in connection with such Proceeding or any claim, issue, or matter in any such Proceeding.

(b) Proceedings by or in the Right of the Company. Indemnitee will be entitled to the rights of indemnification provided in this Section 1(b) if, by reason of his or her Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1(b), the Company will indemnify, defend, and hold Indemnitee harmless to the fullest extent permitted by applicable law, as such may be amended from time to time (but in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than permitted prior to such amendment), against all Expenses actually and reasonably incurred by the Indemnitee, or on the Indemnitee's behalf, in connection with such Proceeding; provided, however, if applicable law so provides, no indemnification against such Expenses will be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee has been finally adjudged to be liable to the Company unless and to the extent that the court in which such action or suit was brought determines that such indemnification may be made.

(c) Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his or her Corporate Status, a party to and is wholly successful, on the merits or otherwise, in any Proceeding, he or she will be indemnified by the Company to the fullest extent permitted by law, as such may be amended from time to time (but in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than permitted prior to such amendment), against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with such Proceeding. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues, or matters in such Proceeding, the Company will indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with each successfully resolved claim, issue, or matter. For purposes of this Section 1(c) and without limitation, the termination of any claim, issue, or matter in such a Proceeding by dismissal, with or without prejudice, will be deemed to be a successful result as to such claim, issue, or matter.

2. Additional Indemnity. In addition to, and without regard to any limitations on, the indemnification provided for in Section 1 of this Agreement, the Company will and hereby does indemnify, defend, and hold harmless Indemnitee against all Expenses, judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her or on his or her behalf if, by reason of his or her Corporate Status, he or she is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company), **including, without limitation, all liability arising out of the sole, contributory, comparative or other negligence, or active or passive**

wrongdoing of Indemnitee. Except as provided in this Section 2 or in Section 9, the only limitation that will exist upon the Company's obligations pursuant to this Agreement will be that the Company will not be obligated to make any payment to Indemnitee that is finally adjudged (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7) to be prohibited by applicable law.

3. Contribution.

(a) Regardless of whether the indemnification provided in Sections 1 and 2 is available, in respect of any threatened, pending, or completed Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), the Company will pay, in the first instance, the entire amount of any judgment or settlement of such Proceeding without requiring Indemnitee to contribute to such payment, and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company will not, without prior written consent of Indemnitee, enter into any settlement of any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding) unless such settlement solely involves the payment of money and includes a full, unconditional and final release of all claims that are or were asserted against Indemnitee in such Proceeding. In addition, the Company will not, without prior written consent of Indemnitee, seek or agree to a bar order that extinguishes Indemnitee's rights to indemnification or advancement of Expenses, whether under this Agreement or otherwise.

(b) Without diminishing or impairing the obligations of the Company set forth in Section 3(a), if, for any reason, Indemnitee elects or is required to pay all or any portion of any judgment or settlement in any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), the Company will contribute to the amount of Expenses, judgments, fines, and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received from the transaction that gave rise to such Proceeding by (i) the Company and all officers, directors, or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand; and (ii) Indemnitee, on the other hand; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors, or employees of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the events that resulted in such Expenses, judgments, fines, or settlement amounts, as well as any other equitable considerations that applicable law may require to be considered. The relative fault of the Company and all officers, directors, or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, will be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary, and the degree to which their conduct is active or passive.

(c) The Company hereby agrees to fully indemnify, defend, and hold harmless Indemnitee from any claims of contribution that may be brought by officers, directors, or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, will contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, and amounts paid or to be paid in settlement or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) or transaction(s) giving cause to such Proceeding; and (ii) the relative fault of the Company (and its directors, officers, employees, and agents) and Indemnitee in connection with such event(s) or transaction(s).

4. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his or her Corporate Status, a witness or otherwise involved in any Proceeding to which Indemnitee is not a party, the Company will indemnify, defend, and hold harmless the Indemnitee against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

5. Advancement of Expenses. To the fullest extent permitted by law, as such may be amended from time to time (but in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader advancement rights than permitted prior to such amendment), the Company will advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within 30 days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements must reasonably evidence the Expenses incurred by Indemnitee and will include or be preceded or accompanied by an undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it is ultimately determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 5 will be unsecured and interest-free and any advances will be made without regard to Indemnitee's ability to repay the Expenses. Indemnitee will qualify for and be entitled to receive such advances solely upon execution and delivery to the Company of the statement or statements and the undertaking referred to in this Section 5.

6. Procedures and Presumptions for Determination of Entitlement to Indemnification. It is the intent of this Agreement to secure for Indemnitee rights of indemnification that are as favorable as may be permitted under the DGCL and public policy of the State of Delaware. Accordingly, the parties agree that the following procedures and presumptions will apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee must submit to the Company a written request, including such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company will, promptly upon receipt of such a request for indemnification, advise the Board that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure by Indemnitee to provide such a request to the Company, or to provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to Indemnitee unless, and only to the extent that, such failure actually prejudices the interests of the Company. To the extent that Indemnitee shall have been successful on the merits or otherwise in defense of any Proceeding or any portion thereof or in defense of any issue or matter therein, including without limitation dismissal without prejudice, Indemnitee shall be indemnified in accordance with Section 1 of this Agreement, and the procedures under this Section 6 shall not be required to determine whether Indemnitee is entitled to indemnification.

(b) If the Company shall be obligated to pay the Expenses of any Proceeding against Indemnitee, the Company shall be entitled to assume and control the defense of such Proceeding (with counsel consented to by Indemnitee, which consent shall not be unreasonably withheld), upon the delivery to Indemnitee of written notice of its election so to do. After delivery of such notice, consent to such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same Proceeding, provided that if (i) the employment of separate counsel by Indemnitee has been previously authorized by the Company, (ii) Indemnitee or counsel selected by the Company shall have concluded that there may be a conflict of interest between the Company and Indemnitee or among Indemnitees jointly represented in the conduct of any such defense; or (iii) the Company shall not, in fact, have

employed counsel, to which Indemnitee has consented as aforesaid, to assume the defense of such Proceeding, then the reasonable fees and expenses of Indemnitee's counsel shall be at the expense of the Company. Notwithstanding the foregoing, Indemnitee shall have the right to employ counsel in any such Proceeding at Indemnitee's expense.

(c) The Company will be entitled to participate in the Proceeding at its own expense. The Company will not, without prior written consent of Indemnitee, effect any settlement of a claim against Indemnitee in any threatened or pending Proceeding unless such settlement solely involves the payment of money by any Person other than Indemnitee and includes a full, unconditional and final release of all claims that are or were asserted against Indemnitee in such Proceeding. In addition, the Company will not, without prior written consent of Indemnitee, seek or agree to a bar order that extinguishes Indemnitee's rights to indemnification or advancement of Expenses, whether under this Agreement or otherwise.

(d) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a), a determination, if required by applicable law, with respect to Indemnitee's entitlement to indemnification will be made in the specific case: (i) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; or (ii) if a Change in Control shall not have occurred, (A) by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (B) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (C) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee or (D) if so directed by the Board, by the stockholders of the Company. Indemnitee will reasonably cooperate with the Person making the determination with respect to Indemnitee's entitlement to indemnification, including providing to such Person upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to Indemnitee and reasonably necessary to such determination. Any Expenses actually and reasonably incurred by Indemnitee in so cooperating with the Person making such determination will be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies, defends, and agrees to hold Indemnitee harmless from any such costs and Expenses. If it is determined that Indemnitee is entitled to indemnification requested by Indemnitee in a written application submitted to the Company pursuant to Section 6, payment to Indemnitee will be made within 30 days of the written request for indemnification submitted by Indemnitee.

(e) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 6(d), the Independent Counsel will be selected as provided in this Section 6(e). If a Change in Control has not occurred, the Independent Counsel will be selected by the Board, and the Company will give written notice to Indemnitee advising him or her of the identity of the Independent Counsel so selected. If a Change in Control has occurred, the Independent Counsel will be selected by Indemnitee (unless Indemnitee requests that such selection be made by the Board, in which event the preceding sentence will apply), and Indemnitee will give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within ten days after such written notice of such selection has been received, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in this Agreement, and the objection will set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected will act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court of competent jurisdiction has determined that such objection is without merit. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel and to fully indemnify such Independent Counsel against any and all Expenses, claims, liabilities, and damages arising out of or relating to this Agreement or its engagement pursuant to this Agreement.

(f) In making a determination with respect to entitlement to indemnification under this Agreement, the Person making such determination will presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption will have the burden of proof and the burden of persuasion by clear and convincing evidence. Neither the failure of the Company (including the Board, Independent Counsel or its stockholders) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Company (including the Board, Independent Counsel or its stockholders) that Indemnitee has not met such applicable standard of conduct, will be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(g) Indemnitee will be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by directors, officers, employees or agents of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected by the Enterprise. In addition, the knowledge or actions, or failure to act, of any director, officer, agent, or employee of the Enterprise will not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Regardless of whether the foregoing provisions of this Section 6(g) are satisfied, it will in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption will have the burden of proof and the burden of persuasion by clear and convincing evidence.

(h) If the Person empowered or selected under Section 6(d) to determine whether Indemnitee is entitled to indemnification has not made a determination within 30 days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification will be deemed to have been made and Indemnitee will be entitled to such indemnification absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification or (ii) a prohibition of such indemnification under applicable law.

(i) Indemnitee will cooperate with the Person making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such Person upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel, member of the Board, or stockholder of the Company will act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement. Any Expenses actually and reasonably incurred by Indemnitee in so cooperating with the Person making such determination will be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby agrees to indemnify, defend, and hold Indemnitee harmless therefrom.

(j) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption, or uncertainty. In the event that any Proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such Proceeding with or without payment of money or other consideration), it will be presumed that Indemnitee has been successful on the merits or otherwise in such Proceeding. Anyone seeking to overcome this presumption will have the burden of proof and the burden of persuasion by clear and convincing evidence.

(k) The termination of any Proceeding or of any claim, issue, or matter therein, by judgment, order, settlement, or conviction, or upon a plea of *nolo contendere* or its equivalent, will not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner that he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

7. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 6 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement, (iii) no determination of entitlement to indemnification is made pursuant to Section 6(d) of this Agreement within 30 days after receipt by the Company of the request for indemnification or (iv) payment of indemnification is not made pursuant to this Agreement within 30 days after receipt by the Company of a written request therefor, Indemnitee may at any time thereafter bring suit against the Company to enforce Indemnitee's claim to such indemnification or payment. The Company will not oppose Indemnitee's right to bring such suit.

(b) In the event that a determination has been made pursuant to Section 6(d) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 7 will be conducted in all respects as a *de novo* trial on the merits, and Indemnitee will not be prejudiced by reason of the adverse determination under Section 6(d).

(c) If a determination has been made pursuant to Section 6(d) of this Agreement that Indemnitee is entitled to indemnification, the Company will be bound by such determination in any judicial proceeding commenced pursuant to this Section 7, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading in connection with the application for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company will indemnify, defend, and hold harmless Indemnitee against any and all Expenses and, if requested by Indemnitee, will (within 30 days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Expenses to Indemnitee, that are actually and reasonably incurred by Indemnitee in connection with any action brought by Indemnitee (i) for indemnification or advancement of Expenses from the Company under this Agreement, (ii) to recover damages for breach of this Agreement or (iii) related to any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses, or insurance recovery, as the case may be.

(e) The Company will be precluded from asserting in any proceeding commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding, and enforceable and will stipulate in any court of competent jurisdiction that the Company is bound by all the provisions of this Agreement.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement will be required to be made prior to the final disposition of the Proceeding.

8. Non-Exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification as provided by this Agreement will not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate, any agreement, a vote of stockholders, a resolution of directors, or otherwise. No amendment, alteration, or repeal of this Agreement or of any provision of this Agreement will limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration, or repeal. To the extent that a change in the DGCL, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the Certificate or this Agreement, it is the intent of the parties to this Agreement that Indemnitee will enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy conferred by this Agreement is intended to be exclusive of any other right or remedy, and every other right and remedy will be cumulative and in addition to every other right and remedy given under this Agreement or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy under this Agreement, or otherwise, will not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Company hereby covenants and agrees that, so long as Indemnitee serves in a Corporate Status and thereafter so long as Indemnitee may be subject to any possible Proceeding by reason of the fact that Indemnitee served in a Corporate Status, the Company, subject to Section 8(d), will maintain in full force and effect liability insurance to protect Indemnitee from personal liabilities incurred by reason of the fact that Indemnitee is or was serving in such capacity ("**Liability Insurance**") in reasonable amounts from established and reputable insurers.

(c) In all applicable policies of Liability Insurance, Indemnitee will be named as an insured and will be covered by such policies in accordance with their terms to the maximum extent of the coverage available for any director, officer, employee, or agent or fiduciary under such policy or policies.

(d) Reserved.

(e) Following the receipt of a notice of a claim pursuant to the terms of this Agreement, the Company will give prompt notice of the commencement of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company will thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

(f) Except as set forth in Section 8(g) below, in the event of any payment under this Agreement, the Company will be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who will execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(g) The Company hereby acknowledges that Indemnitee may have rights to indemnification or advancement of Expenses or insurance provided by the Person or Persons set forth on Exhibit A, if any, and affiliates of such Persons (collectively, the "**Third Party Indemnitors**"). The Company hereby agrees that (i) it is the indemnitor of first resort and that the obligations of the Company to Indemnitee are primary and any obligation of the Third Party Indemnitors to provide indemnification for or advancement of Expenses incurred by Indemnitee are secondary, (ii) the Indemnitee's right to indemnification under this Agreement and the Certificate, including the right to advancement of Expenses, indemnification, and contribution, shall not be diminished, modified, qualified, or otherwise affected by any right of Indemnitee against any Third Party Indemnitor, and (iii) it irrevocably waives, relinquishes, and releases the Third Party Indemnitors from any and all claims against the Third Party Indemnitors for contribution, subrogation, or any other recovery of any kind in respect thereof. The Company

further agrees that no advancement or payment by the Third Party Indemnitors on behalf of the Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Third Party Indemnitors shall have the right of contribution and be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Third Party Indemnitors are third party beneficiaries of the terms of this Section 8(g).

9. Exception to Right of Indemnification. Notwithstanding any provision in this Agreement, the Company will not be obligated under this Agreement to make any indemnification in connection with:

(a) any claim made against Indemnitee for which payment has actually been made to or on behalf of Indemnitee under any insurance policy held by the Company or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision, provided, that the foregoing shall not affect the rights of Indemnitee or the Third Party Indemnitors set forth in Section 8(g) above;

(b) any claim made against Indemnitee for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state law; or

(c) except as otherwise provided in Section 7, any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees, or other indemnitees, unless (i) the Board authorized the Proceeding (or such part of any Proceeding) prior to its initiation, (ii) such indemnification is expressly required to be made by applicable law or (iii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

10. Duration of Agreement. All agreements and obligations of the Company contained in this Agreement will continue during the period Indemnitee is an officer or director of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another Person) and will continue thereafter so long as Indemnitee is, or may be made, the subject to any Proceeding (or any proceeding commenced under Section 7) by reason of his or her Corporate Status, regardless of whether he or she is acting or serving in any such capacity at the time any liability or Expense is incurred for which indemnification can be provided under this Agreement. This Agreement will be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors (including any direct or indirect successor by purchase, merger, consolidation, reorganization, or otherwise to all or a majority of the business, assets or income or revenue generating capacity of the Company), assigns, spouses, heirs, executors, and personal and legal representatives.

11. Successors and Binding Agreement. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization, or otherwise) to all or a majority of the business, assets, or income or revenue generating capacity of the Company, by agreement in form and substance reasonably satisfactory to Indemnitee, to expressly assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement shall be binding upon and inure to the benefit of the Company and any successor to the Company by operation of law or otherwise.

12. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it by this Agreement in order to induce Indemnitee to serve as an officer or director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an officer or director of the Company.

(b) Subject to Section 8(a) hereof, this Agreement constitutes the entire agreement between the parties hereto with respect to the matter hereof and supersedes all prior written and oral, and contemporaneous oral, agreements, negotiations, and understandings, express or implied, between the parties with respect to the subject matter hereof. This Section 12(b) will not be construed to limit any other rights Indemnitee may have under the Certificate, applicable law or otherwise.

13. Period of Limitations. No legal action may be brought and no cause of action may be asserted by or in the right of the Company against Indemnitee, Indemnitee's estate, spouse, heirs, executors, or personal or legal representatives after the expiration of two years from the date of accrual of such cause of action, and any claim or cause of action of the Company will be extinguished and deemed released, unless asserted by the timely filing of a legal action within such two year period; provided, however, that if any shorter period of limitations is otherwise applicable to any such cause of action, such shorter period will govern.

14. Definitions. For purposes of this Agreement:

(a) "**Corporate Status**" describes the status of a person who is or was a director, officer, manager, partner, trustee, employee, agent, or fiduciary of the Enterprise that such person is or was serving at the express request of the Company and includes, without limitation, the status of such person as an advisor to the Enterprise prior to the commencement of service in any other Corporate Status.

(b) "**Change in Control**" will be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) Any Acquiring Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities;

(ii) During any period of two consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a Person who has entered into an agreement with the Company to effect a transaction described in paragraphs (i), (iii) or (iv) of this definition) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

(iii) The effective date of a merger or consolidation of the Company with any other Person, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the surviving Person outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving Person;

(iv) The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or a majority of the Company's assets or income or revenue-generating capacity; or

(v) There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act, whether or not the Company is then subject to such reporting requirement.

For purposes of the foregoing, the following terms will have the following meanings:

(A) "**Acquiring Person**" will mean a "person" or "group" within the meaning of Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Acquiring Person will exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any Person owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(B) "**Beneficial Owner**" will have the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner will exclude any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another Person.

(c) "**Disinterested Director**" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(d) "**Enterprise**" means the Company and any other Person that Indemnitee is or was serving at the express request of the Company.

(e) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

(f) "**Expenses**" include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, including reasonable compensation for time spent by Indemnitee in connection with the prosecution, defense, preparation to prosecute or defend, investigation, participation, preparation or involvement as a witness, or appeal of a Proceeding or action for indemnification for which Indemnitee is not otherwise compensated by the Company or any third party. "Expenses" also include expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent. "Expenses," however, do not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(g) "**Independent Counsel**" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification under this Agreement. Notwithstanding the foregoing, the term "Independent Counsel" will not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(h) "**Person**" means any individual, corporation, partnership, limited liability company, trust, benefit plan, governmental or quasi-governmental agency, and any other entity, public or private.

(i) "**Proceeding**" includes any threatened, pending, or completed action, claim, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other actual, threatened, or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative, or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of the fact that Indemnitee is or was acting in his or her Corporate Status, by reason of any action taken by him or her or of any inaction on his or her part while acting in his or her Corporate Status; in each case whether or not he or she is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement; including any Proceeding pending on or before the date of this Agreement, but excluding any Proceeding initiated by an Indemnitee pursuant to Section 7 of this Agreement to enforce his or her rights under this Agreement.

15. Severability. The invalidity or unenforceability of any provision of this Agreement will in no way affect the validity or enforceability of any other provision. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee indemnification rights to the fullest extent permitted by applicable law. In the event any provision of this Agreement conflicts with any applicable law, such provision will be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

16. Modification and Waiver. No supplement, modification, termination, or amendment of this Agreement will be binding unless executed in writing by each of the parties. No waiver of any of the provisions of this Agreement will be deemed or will constitute a waiver of any other provisions of this Agreement (whether or not similar) nor will such waiver constitute a continuing waiver. This Agreement cannot be modified or amended, or any provision of this Agreement waived, by course of conduct.

17. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information, or other document relating to any Proceeding or matter that may be subject to indemnification covered under this Agreement. The failure to so notify the Company will not relieve the Company of any obligation that it may have to Indemnitee under this Agreement unless and only to the extent that such failure or delay materially prejudices the Company.

18. Notices. All notices and other communications given or made pursuant to this Agreement will be in writing and will be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day, (c) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications will be sent:

(a) To Indemnitee at the address set forth below Indemnitee's signature hereto.

(b) To the Company at:

Berry Petroleum Corporation
5201 Truxtun Avenue, Suite 100
Bakersfield, CA 93309

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile signature or other electronic means and in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

20. Rules of Construction.

(a) The headings of the paragraphs of this Agreement are inserted for convenience only and will not be deemed to constitute part of this Agreement or to affect the construction of this Agreement.

(b) Time is of the essence with respect to this Agreement.

(c) Unless the context otherwise requires, references to “Sections” and “Exhibits” are to Sections of, and Exhibits to, this Agreement.

(d) This Agreement will be liberally construed in favor of Indemnitee.

(e) Use of the word “or” will not be exclusive.

(f) Use of defined terms in the singular will include the plural, and *vice versa*.

21. Governing Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties will be governed by, and construed and enforced in accordance with, the Federal laws of the United States of America and the laws of the State of Delaware, without regard to its conflict of laws rules or any other principle that could result in the application of the laws of any other jurisdiction. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement will be brought only in the state courts of the State of Delaware (the “Delaware Court”), or the federal courts sitting in the State of Delaware and not in any other state or Federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) appoint, to the extent such party is not otherwise subject to service of process in the State of Delaware, CT Corporation, as such party’s agent in the State of Delaware for acceptance of legal process in connection with any such action or proceeding against such party with the same legal force and validity as if served upon such party personally within the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification Agreement on and as of the day and year first above written.

BERRY PETROLEUM CORPORATION

By: _____
Name: Arthur T. Smith
Title: Chief Executive Officer

INDEMNITEE

_____
Name:
Address:

_____

_____

Exhibit A

Third Party Indemnitors

Exhibit 10.15

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

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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
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.

****

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: _____

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 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:	_____

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 10.16

EXECUTION VERSION

LIMITED WAIVER AND AMENDMENT NO. 1 TO CREDIT AGREEMENT

This Limited Waiver and Amendment No. 1 to Credit Agreement (this "Agreement") dated as of November 16, 2017 (the "Effective Date"), is among Berry Petroleum Company LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent"), and the other guarantors party hereto (with the Parent, each a "Guarantor," and collectively, the "Guarantors"), Wells Fargo Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent") and as issuing lender, and the Lenders (as defined below).

RECITALS

A. Reference is made to that certain Credit Agreement (as amended, restated, supplemented, or otherwise modified from time to time, including by this Agreement, the "Credit Agreement") dated as of July 31, 2017 among the Borrower, the Parent, the Administrative Agent, the Issuing Lender and the financial institutions party thereto as lenders from time to time (the "Lenders"). Each term defined in the Credit Agreement and used herein without definition shall have the meaning assigned to such term in the Credit Agreement, unless expressly provided to the contrary.

B. The Borrower has failed to deliver a reserve report prepared by an Independent Engineer evaluating the Acquired Linn Assets consisting of "proved and undeveloped" reserves (the "Linn PUD Report") pursuant to Section 5.2(c)(ii) of the Credit Agreement on or before October 1, 2017 (the "Specified Default"). The Borrower has requested that the Lenders permanently waive
(i) the Specified Default, and (ii) the requirement to deliver the Linn PUD Report.

C. The parties hereto wish to, subject to the terms and conditions of this Agreement,
(i) reaffirm the Borrowing Base at $500,000,000 in accordance with the regularly scheduled Semi-Annual Redetermination described in Section 2.2(b)(ii) of the Credit Agreement, (ii) provide a permanent waiver of (x) the Specified Default and (y) the requirement to deliver the Linn PUD Report, and (iii) amend the Credit Agreement as provided herein.

THEREFORE, the parties hereto hereby agree as follows:

Section 1. **Defined Terms; Other Definitional Provisions**. As used in this Agreement, each of the terms defined in the opening paragraph and the Recitals above shall have the meanings assigned to such terms therein. Article, Section, Schedule, and Exhibit references are to Articles and Sections of and Schedules and Exhibits to this Agreement, unless otherwise specified. 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.

Section 2. **Amendment to Credit Agreement**.

(a) Section 1.1 of the Credit Agreement is hereby amended to add a new defined term in the correct alphabetical order as follows:

"First Amendment Effective Date" means November 16, 2017.

(b) Section 1.1 of the Credit Agreement is hereby amended to amend and restate the definition of "General Unsecured Claims Account" in its entirety as follows:

"General Unsecured Claims Account" means (i) until 30 days after the First Amendment Effective Date, deposit account number xxxx8060, held by the Borrower at Amegy Bank, and (ii) thereafter, such deposit account (as defined in Article 9 of the Uniform Commercial Code as in effect in the State of New York as of the First Amendment Effective Date) designated in writing to the Administrative Agent as the "General Unsecured Claims Account," to be held by the Borrower at Wells Fargo Bank, National Association, in each case, in which funds have been or will be 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 deposit accounts (as defined in Article 9 of the Uniform Commercial Code as in effect in the State of New York as of the First Amendment Effective Date) in no event exceed the amount of such general unsecured claims then outstanding, and (b) such General Unsecured Claims Account shall cease to be an Excluded Account when such general unsecured claims have been settled or paid.

Section 3. **Limited Waiver**.

(a) The Borrower hereby acknowledges the existence and continuation of the Specified Default.

(b) The Lenders hereby agree, subject to the terms and conditions of this Agreement, to waive permanently (i) the Specified Default and (ii) the requirement to deliver the Linn PUD Report. The limited waiver by the Lenders described in this Section 3(b) is contingent upon the satisfaction of the conditions precedent set forth below in this Agreement and is limited to the Specified Default and the requirement to deliver the Linn PUD Report. Such waiver is limited to the extent described herein and shall not be construed to be a consent to any other (existing or future) non-compliance with, or a permanent waiver of, Section 5.2(c)(ii) of the Credit Agreement, or any other terms, provisions, covenants, warranties or agreements contained in the Credit Agreement or in any of the other Credit Documents. The Administrative Agent and the Lenders reserve the right to exercise any rights and remedies available to them in connection with any other present or future Defaults or Events of Default with respect to the Credit Agreement or any other provision of any Credit Document. The Credit Parties acknowledge that any failure of the Administrative Agent or any Lender at any time or times hereafter to require strict performance by any Credit Party of any provision of the Credit Agreement and each other Credit Document shall not waive, affect or diminish any right of the Administrative Agent or any Lender to thereafter demand strict compliance therewith.

Section 4. **Borrowing Base**. Subject to the terms of this Agreement, the parties hereto hereby agree that, as of November 1, 2017, the Borrowing Base shall continue to be $500,000,000, and the Borrowing Base shall remain in effect at such amount until the Borrowing Base is redetermined or adjusted in accordance with the Credit Agreement. The redetermination of the Borrowing Base pursuant to this Section 4 shall constitute the scheduled Semi-Annual Redetermination to occur on or about November 1, 2017, as set forth in Section 2.2(b)(ii) of the Credit Agreement.

Section 5. **Representations and Warranties.** Each Credit Party represents and warrants that, as of the date hereof: (a) the representations and warranties of such Credit Party contained in the Credit Agreement and in the other Credit Documents 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 Effective Date as if made on and as of such 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) no Default (other than the Specified Default) has occurred and is continuing; (c) the execution, delivery and performance of this Agreement are within such Credit Party's powers and have been duly authorized by all necessary corporate, limited liability company, or partnership action; (d) this Agreement constitutes the legal, valid, and binding obligation of such Credit Party enforceable against such Credit Party in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the rights of creditors generally and general principles of equity whether applied by a court of law or equity; (e) the execution, delivery and performance of this Agreement by such Credit Party 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; and (f) the Liens under the Security Documents are valid and subsisting and secure the obligations under the Credit Documents.

Section 6. **Conditions to Effectiveness.** This Agreement shall become effective on the Effective Date and enforceable against the parties hereto upon the occurrence of the following conditions precedent:

(a) The Administrative Agent shall have received multiple original counterparts, as requested by the Administrative Agent, of this Agreement, duly and validly executed and delivered by duly authorized officers of the Borrower, the Guarantors, the Administrative Agent, and the Required Lenders.

(b) The Borrower shall have paid to the Administrative Agent all reasonable out-of-pocket costs and expenses that have been invoiced and are payable pursuant to Section 10.1 of the Credit Agreement.

(c) The Administrative Agent shall have received such other documents, governmental certificates, agreements, and lien searches as the Administrative Agent or any Lender may reasonably request.

Section 7. **Acknowledgments and Agreements**.

(a) Each Credit Party acknowledges that on the date hereof all outstanding Secured Obligations are payable in accordance with their terms and each Credit Party waives any set-off, counterclaim, recoupment, defense, or other right, in each case, existing on the date hereof, with respect to such Secured Obligations. Each party hereto does hereby adopt, ratify, and confirm the Credit Agreement, as amended hereby, and acknowledges and agrees that the Credit Agreement, as amended hereby, is and remains in full force and effect, and each Credit Party acknowledges and agrees that its respective liabilities and obligations under the Credit Agreement, as amended hereby, and the other Credit Documents are not impaired in any respect by this Agreement.

(b) The Administrative Agent, the Issuing Lender, and the Lenders hereby expressly reserve all of their rights, remedies, and claims under the Credit Documents. Nothing in this Agreement shall constitute a waiver or relinquishment of (i) any Default or Event of Default under any of the Credit Documents (other than the Specified Default), (ii) any of the agreements, terms or conditions contained in any of the Credit Documents, (iii) any rights or remedies of the Administrative Agent, the Issuing Lender, or any Lender with respect to the Credit Documents, or (iv) the rights of the Administrative Agent, the Issuing Lender, or any Lender to collect the full amounts owing to them under the Credit Documents.

(c) This Agreement is a Credit Document for the purposes of the provisions of the other Credit Documents. Without limiting the foregoing, any breach of representations, warranties, and covenants under this Agreement shall be a Default or Event of Default, as applicable, under the Credit Agreement.

Section 8. **Reaffirmation of the Guaranty**. Each Guarantor hereby ratifies, confirms, acknowledges and agrees that its obligations under the Guaranty are in full force and effect and that such Guarantor continues to unconditionally and irrevocably guarantee the full and punctual payment, when due, whether at stated maturity or earlier by acceleration or otherwise, of all the Guaranteed Obligations (as defined in the Guaranty), and its execution and delivery of this Agreement does not indicate or establish an approval or consent requirement by such Guarantor under the Guaranty, in connection with the execution and delivery of amendments, consents or waivers to the Credit Agreement or any of the other Credit Documents.

Section 9. **Reaffirmation of Liens**. Each Credit Party (a) reaffirms the terms of and its obligations (and the security interests granted by it) under each Security Document to which it is a party, and agrees that each such Security Document will continue in full force and effect to secure the Secured Obligations as the same may be amended, supplemented, or otherwise modified from time to time, and (b) acknowledges, represents, warrants and agrees that the Liens and security interests granted by it pursuant to the Security Documents are valid, enforceable and subsisting and create an Acceptable Security Interest to secure the Secured Obligations.

Section 10. **Counterparts.** 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. 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.

Section 11. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted pursuant to the Credit Agreement.

Section 12. **Severability.** In case one or more of the provisions of this Agreement shall for any reason be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein or in the other Credit Documents shall not be affected or impaired thereby.

Section 13. **Governing Law.** This Agreement shall be deemed to be a contract made under and shall be governed by and construed 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).

Section 14. **Entire Agreement. THIS AGREEMENT, THE CREDIT AGREEMENT, THE NOTES, AND THE OTHER CREDIT DOCUMENTS CONSTITUTE THE ENTIRE UNDERSTANDING AMONG THE PARTIES HERETO WITH RESPECT TO THE SUBJECT MATTER HEREOF AND SUPERSEDE ANY PRIOR AGREEMENTS, WRITTEN OR ORAL, WITH RESPECT THERETO.**

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

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EXECUTED to be effective 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

GUARANTORS:

BERRY PETROLEUM CORPORATION

By: /s/ Cary Baetz
Name: Cary Baetz
Title: Executive Vice President and Chief Financial Officer

ADMINISTRATIVE AGENT/ISSUING LENDER/LENDER:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent, and a Lender

By: /s/ Sarah Thomas
Name: Sarah Thomas
Title: Director

LENDERS:

BANK OF MONTREAL, as a Lender

By: /s/ James V. Ducote
Name: James V. Ducote
Title: Managing Director

KEYBANK NATIONAL ASSOCIATION, as a Lender

By: /s/ George. E. McKean
Name: George. E. McKean
Title: Senior Vice President

ABN AMRO CAPITAL USA LLC, as a Lender

By: /s/ Johnn G. Jalliuan
Name: John G. Jalliuan
Title: Managing Director

By: /s/ Elizabeth Johnson
Name: Elizabeth Johnson
Title: Director

BOKF, NA, as a Lender

By: /s/ Benjamin Suh
Name: Benjamin Suh
Title: Vice President

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Nancy Mak
Name: Nancy Mak
Title: Sr. Vice President

CITIZENS BANK, N.A., as a Lender

By: /s/ Hernando Garcia
Name: Hernando Garcia
Title: Director

CATHAY BANK, as a Lender

By: /s/ Stephen V Bacala II
Name: Stephen V Bacala II
Title: Vice President

ING CAPITAL LLC, as a Lender

By: /s/ Scott Lamoreaux
Name: Scott Lamoreaux
Title: Director

By: /s/ Micheal Price
Name: Micheal Price
Title: Managing Director

MORGAN STANLEY BANK. N.A., as a Lender

By: /s/ Pat Layton
Name: Pat Layton
Title: Authorized Signatory

UBS AG, STAMFORD BRANCH, as a Lender

By: /s/ Darlene Arias
Name: Darlene Arias
Title: Director

By: /s/ Kenneth Chin
Name: Kenneth Chin
Title: Director

BP ENERGY COMPANY, as a lender

By: /s/ Timothy Yee
Name: Timothy Yee
Title: Attorney-in-Fact

MACQUARIE BANK LIMITED, as a lender

By: /s/ Andrew Gates
Name: Andrew Gates
Title: Division Director

By: /s/ Thomas Morgan
Name: Thomas Morgan
Title: Associate Director

POA Ref: #2468 dated 7 June 2017 expiring 31 March 2019, signed in London

IBERIABANK, as a Lender

By: /s/ Tyler S. Thoem
Name: Tyler S. Thoem
Title: Senior Vice President

ARVEST BANK, as a Lender

By: /s/ Jackie Wagnon
Name: Jackie Wagnon
Title: Vice President

Exhibit 10.17

EXECUTION VERSION

AMENDMENT NO. 2 TO CREDIT AGREEMENT

This Amendment No. 2 to Credit Agreement (this "Agreement") dated as of March 8, 2018 (the "Effective Date"), is among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent" and the "Guarantor"), Wells Fargo Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent") and as issuing lender (in such capacity, the "Issuing Lender"), and the Lenders (as defined below).

RECITALS

A. Reference is made to that certain Credit Agreement dated as of July 31, 2017 (as amended by that certain Limited Waiver and Amendment No. 1 to Credit Agreement dated as of November 16, 2017 and as further amended, restated, supplemented, or otherwise modified from time to time, including by this Agreement, the "Credit Agreement") among the Borrower, the Parent, the Administrative Agent, the Issuing Lender and the financial institutions party thereto as lenders from time to time (the "Lenders").

B. Subject to the terms and conditions set forth herein, (i) the parties hereto wish to amend the Credit Agreement as provided herein, and (ii) the Lenders party hereto wish to increase the Borrowing Base to $575,000,000 in accordance with the regularly scheduled Borrowing Base redetermination process described in Section 2.2(b) of the Credit Agreement subject to the established Aggregate Elected Commitment Amount (as defined herein) of $400,000,000.

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

Section 1. **Defined Terms**. As used in this Agreement, each of the terms defined in the opening paragraph and the Recitals above shall have the meanings assigned to such terms therein. Each term defined in the Credit Agreement and used herein without definition shall have the meaning assigned to such term in the Credit Agreement, unless expressly provided to the contrary.

Section 2. **Other Definitional Provisions**. Article, Section, Schedule, and Exhibit references are to Articles and Sections of and Schedules and Exhibits to this Agreement, unless otherwise specified. 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.

Section 3. **Agreements to Credit Agreement**. The Credit Agreement is hereby amended as follows:

(a) Section 1.02 *(Certain Defined Terms)* of the Credit Agreement is hereby amended to add thereto in alphabetical order the following definitions which shall read in full as follows:

"Additional Lender" has the meaning given to such term in Section 2.1(d)(i).

"Additional Lender Certificate" has the meaning given to such term in Section 2.1(d)(ii)(G).

"Aggregate Elected Commitment Amounts" at any time shall equal the sum of the Elected Commitments, as the same may be (a) increased, reduced or terminated pursuant to Section 2.1(d), and (b) modified from time to time pursuant to assignments in accordance with Section 10.7(b). As of the Second Amendment Effective Date, the Aggregate Elected Commitment Amounts are $400,000,000.

"Elected Commitment" means, as to each Lender, the amount set forth opposite such Lender's name on Schedule I under the caption "Elected Commitment", as the same may (a) be increased, reduced or terminated from time to time in connection with an optional increase, reduction or termination of the Aggregate Elected Commitment Amounts pursuant to Section 2.1(d), and (b) modified from time to time pursuant to assignments in accordance with Section 10.7(b).

"Elected Commitment Increase Certificate" has the meaning given to such term in Section 2.1(d)(ii)(F).

"Second Amendment" means that certain Amendment No. 2 to Credit Agreement dated as of the Second Amendment Effective Date, among the Borrower, the Parent, the Administrative Agent, and the Lenders party thereto.

"Second Amendment Effective Date" means March 8, 2018.

(b) Section 1.02 *(Certain Defined Terms)* of the Credit Agreement is hereby amended by amending and restating each of the following definitions to read in full as follows:

"Availability" means, as of any date of determination, an amount equal to (a) the least of (i) the then effective Borrowing Base, (ii) the aggregate Commitments, and (iii) the Aggregate Elected Commitment Amounts, minus (b) the sum of (i) the outstanding principal amount of all Advances plus (ii) the Letter of Credit Exposure.

"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 least of (i) the aggregate amount of Commitments, (ii) the Borrowing Base then in effect, and (iii) the Aggregate Elected Commitment Amounts.

"Investment Conditions" means, both before and after giving effect to such investment, (a) no Default or Event of Default exists, (b) no Borrowing Base Deficiency exists, (c) Availability, is equal to or greater than, (i) if the Elected Commitments are then in effect, 10% of the then effective Aggregate Elected Commitment Amounts and (ii) if the Elected Commitments are not then in effect, 10% of the then effective Borrowing Base, and (d) 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).

"Lenders" means the Persons listed on Schedule I as of the Second Amendment Effective Date, any Person that shall have become a Lender hereunder pursuant to an Assignment and Assumption or any amendment or modification to this Agreement, and any Person that shall have become a party hereto as an Additional Lender pursuant to Section 2.1(d), other than, in each case, any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

"Unused Commitment Amount" means, with respect to a Lender at any time, the least of (a) such Lender's Commitment at such time, (b) such Lender's Pro Rata Share of the Borrowing Base then in effect at such time, and (c) such Lender's Elected Commitment, 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.

"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 least of (i) the aggregate Commitments, (ii) the effective Borrowing Base at such time, and (iii) the Aggregate Elected Commitment Amounts.

(c) The final sentence of Section 2.1(a) (*Advances*) of the Credit Agreement is hereby amended and restated in its entirety as follows:

Within the limits of each Lender's Unused Commitment Amount, 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.

(d) Section 2.1(c) *(Reduction of the Commitments)* of the Credit Agreement is hereby amended and restated in its entirety as follows:

(c) Reduction of the Commitments and Aggregate Elected 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 or the Aggregated Elected 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 or Aggregate Elected Commitments pursuant to this Section 2.1(c) shall be applied ratably to each Lender's Commitment or Elected Commitment, as applicable, and shall be permanent, with no obligation of the Lenders to reinstate such Commitments or Elected Commitments, and the applicable Commitment Fees shall thereafter be computed on the basis of the Commitments or Elected Commitments, as applicable, as so reduced.

(e) Section 2.1 (*Commitment for Advances*) of the Credit Agreement is hereby amended to add a new subsection (d) and a new subsection (e) therein as follows:

(d) Increases of Aggregate Elected Commitment Amounts.

(i) Subject to the conditions set forth in Section 2.1(d)(ii), the Borrower may increase the Aggregate Elected Commitment Amounts then in effect by increasing the Elected Commitment of a Lender or by causing a Person that is acceptable to the Administrative Agent that at such time is not a Lender to become a Lender (any such Person that is not at such time a Lender and becomes a Lender, an "Additional Lender"). Notwithstanding anything to the contrary contained in this Agreement, in no case shall an Additional Lender be the Borrower, an Affiliate of the Borrower, any Permitted Holder, or a natural person.

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

(A) such increase shall not be less than the lesser of (i) $25,000,000 and (ii) the amount by which the Borrowing Base then in effect exceeds the Aggregate Elected Commitment Amounts, unless the Administrative Agent otherwise consents, and no such increase shall be permitted if after giving effect thereto the Aggregate Elected Commitment Amounts exceed the Borrowing Base then in effect;

(B) following any Semi-Annual Redetermination, the Borrower may not increase the Aggregate Elected Commitment Amounts more than once before the next Semi-Annual Redetermination (for the sake of clarity, all increases in the Aggregate Elected Commitment Amount effective on a single date shall be deemed a single increase in the Aggregate Elected Commitment Amount for purposes of this Section 2.1(d)(ii)(B));

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

(D) on the effective date of such increase, no Eurodollar Advances shall be outstanding or if any Eurodollar Advances are outstanding, then the effective date of such increase shall be the last day of the Interest Period in respect of such Eurodollar Advances unless the Borrower pays any breakage compensation as required by this Agreement;

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

(F) if the Borrower elects to increase the Aggregate Elected Commitment Amounts by increasing the Elected Commitment of a Lender and the Lender so consents in its sole discretion, the Borrower and such Lender shall execute and deliver to the Administrative Agent a certificate substantially in the form of Exhibit M (an "Elected Commitment Increase Certificate"); and

(G) if the Borrower elects to increase the Aggregate Elected Commitment Amounts by causing an Additional Lender to become a party to this Agreement, then the Borrower and such Additional Lender shall execute and deliver to the Administrative Agent a certificate substantially in the form of Exhibit N (an "Additional Lender Certificate"), together with an Administrative Questionnaire and a processing and recordation fee of $3,500 (provided that the Administrative Agent may, in its discretion, elect to waive such processing and recordation fee in connection with any such increase), and the Borrower shall (1) if requested by the Additional Lender, deliver a Note payable to such Additional Lender in accordance with this Agreement and (2) pay any applicable fees as may have been agreed to between the Borrower and the Additional Lender, and, to the extent applicable and agreed to by the Borrower, the Administrative Agent.

(iii) Subject to acceptance and recording thereof pursuant to Section 2.1(d)(iv), from and after the effective date specified in the Elected Commitment Increase Certificate or the Additional Lender Certificate (or if any Eurodollar Advances are outstanding, then the last day of the Interest Period in respect of such Eurodollar Advances, unless the Borrower has paid any breakage compensation required by this Agreement): (A) the amount of the Aggregate Elected Commitment Amounts shall be increased as set forth therein, and (B) in the case of an Additional Lender Certificate, any Additional Lender party thereto shall be a party to this Agreement and have the rights and obligations of a Lender under this Agreement and the other Credit Documents. In addition, the Lender or the Additional Lender, as applicable, shall purchase a pro rata portion of the outstanding Advances (and participation interests in Letters of Credit) of each of the other Lenders (and such Lenders hereby agree to sell and to take all such further action to effectuate such sale) such that each Lender (including any Additional Lender, if applicable) shall hold its Pro Rata Share of the outstanding Advances (and participation interests) after giving effect to the increase in the Aggregate Elected Commitment Amounts (and the resulting modifications of each Lender's Commitment pursuant to Section 2.1(d)(iv) or Section 2.1(d)(v)).

(iv) Upon its receipt of a duly completed Elected Commitment Increase Certificate or an Additional Lender Certificate, executed by the Borrower and the applicable Lender or by the Borrower and the Additional Lender party thereto, as applicable, the processing and recording fee referred to in Section 2.1(d)(ii), the Administrative Questionnaire referred to in Section 2.1(d)(ii) and the breakage payments from the Borrower, if any, required by this Agreement, if applicable, the Administrative Agent shall accept such Elected Commitment Increase Certificate or Additional Lender Certificate and promptly record the information contained therein in the Register required to be maintained by the Administrative Agent pursuant to Section 10.7(c). No increase in the Aggregate Elected Commitment Amounts shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section 2.1(d)(iv).

(v) Upon any increase in the Aggregate Elected Commitment Amounts pursuant to this Section 2.1(d), (A) each Lender's Commitment shall be automatically deemed amended to the extent necessary so that each such Lender's Pro Rata Share of the aggregate Commitments equals the percentage of the Aggregate Elected Commitment Amounts represented by such Lender's Elected Commitment, in each case after giving effect to such increase, and (B) Schedule I to this Agreement shall be deemed amended to reflect the Elected Commitment of each Lender (including any Additional Lender) as thereby increased, any changes in the Lenders' aggregate Commitments pursuant to the foregoing clause (A), and any resulting changes in the Lenders' Pro Rata Share of the aggregate Commitments.

(e) Other Changes to Aggregate Elected Commitment Amounts.

(i) Upon any redetermination or other adjustment in the Borrowing Base pursuant to this Agreement that would otherwise result in the Borrowing Base becoming less than the Aggregate Elected Commitment Amounts, the Aggregate Elected Commitment Amounts shall be automatically reduced (ratably among the Lenders in accordance with each Lender's Pro Rata Share of the aggregate Commitments) so that they equal such redetermined Borrowing Base (and Schedule I shall be deemed amended to reflect such amendments to each Lender's Elected Commitment and the Aggregate Elected Commitment Amounts).

(ii) Contemporaneously with any increase in the Borrowing Base pursuant to this Agreement and subject to Section 2.1(d)(i), if (A) the Borrower elects to increase the Aggregate Elected Commitment Amount and (B) each Lender has consented to such increase in its Elected Commitment then the Aggregate Elected Commitment Amount shall be increased (ratably among the Lenders in accordance with each Lender's Pro Rata Share of the aggregate Commitments) by the amount requested by the Borrower (subject to the limitations set forth in Section 2.1(d)(ii)(A)) without the requirement that any Lender deliver an Elected Commitment Increase Certificate or that the Borrower pay any breakage amounts under this Agreement, and Schedule I shall be deemed amended to reflect such amendments to each Lender's Elected Commitment and the Aggregate Elected Commitment Amount. The Administrative Agent shall record the information regarding such increases in the Register required to be maintained by the Administrative Agent pursuant to Section 10.7(c).

(iii) Notwithstanding anything to the contrary set forth in Section 10.3, (A) the Elected Commitment of any Lender cannot be increased without the written consent of such Lender and (B) no provision contained in this Section 2.1(e)(iii) may be waived, amended or modified in any manner as to any Lender without the written consent of such Lender.

(f) Clauses (i) and (ii) of Section 2.3(a) (*Commitment for Letters of Credit*) of the Credit Agreement are hereby amended and restated in their entirety as follows:

(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 least of (x) the Borrowing Base, (y) the aggregate Commitments, and (z) the Aggregate Elected Commitment Amounts, in each 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 or the Aggregate Elected Commitment Amounts, as applicable, 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 or Aggregate Elected Commitment Amounts, as applicable, 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;

(g) Section 2.5(d) (*Prepayments: Reduction of Commitments*) of the Credit Agreement is hereby amended and restated in its entirety as follows:

(d) Reduction of Commitments/Aggregate Elected Commitment Amounts. On the date of each reduction of the aggregate Commitments or Aggregate Elected Commitment Amounts, in each case, 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 least of (A) the aggregate Commitments, as so reduced, (B) the Aggregate Elected Commitment Amounts, as so reduced, and (C) the then effective Borrowing Base. Each prepayment pursuant to this Section 2.5(d) shall be accompanied by (i) accrued interest on the amount prepaid to the date of such prepayment, (ii) amounts, if

any, required to be paid pursuant to Section 2.10 as a result of such prepayment being made on such date, and (iii) any cash required to be deposited into the Cash Collateral Account pursuant to Section 2.3(g)(ii). 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.

(h) Section 6.3(m) (*Investments*) of the Credit Agreement is hereby amended and restated in its entirety as follows:

(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, (1) if the Elected Commitments are then in effect, twenty percent (20%) of the then effective Aggregate Elected Commitment Amounts immediately before and immediately after giving effect to such investment and (2) if the Elected Commitments are not then in effect, twenty percent (20%) of the then effective Borrowing Base immediately before and immediately after giving effect to such investment;

(i) Section 6.9(a) (*Restricted Payments; Payments in Respect of Specified Additional Debt*) of the Credit Agreement is hereby amending and restated in its entirety as follows:

(a) *Reserved.*

(j) Section 6.9(b)(i) (*Restricted Payments; Payments in Respect of Specified Additional Debt*) of the Credit Agreement is hereby amending and restated in its entirety as follows:

(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 (1) if the Elected Commitments are then in effect, 10% of the then effective Aggregate Elected Commitment Amount and (2) if the Elected Commitments are not then in effect, 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);

(k) Section 10.3 *(Waivers and Amendments*) of the Credit Agreement is hereby amended to amend and restate subsection (c) thereof in its entirety to read in full as follows:

(c) no Commitment or Elected Commitment of a Lender, or any obligations of a Lender may be increased or extended without such Lender's written consent in its sole discretion;

(l) Section 10.7(b) (Binding Effect; Successors and Assigns) of the Credit Agreement is hereby amended to add a new subsection (viii) therein to read as follows:

(viii) Elected Commitments. Each assignment by any Lender of all or a portion of its Commitments and the Advances at the time owing to it hereunder shall include a proportionate assignment of such Lender's Elected Commitments so that each such Lender's percentage of the Aggregate Elected Commitment Amounts represented by such Lender's Elected Commitment equals such Lender's Pro Rata Share (expressed as a percentage) of the aggregate Commitments after giving effect to such assignment.

(m) Section 10.7 *(Binding Effect; Successors and Assigns)* of the Credit Agreement is hereby amended to amend and restate the first sentence of subsection (c) thereof in its entirety to read in full as follows:

(c) 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 and Elected 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").

(n) Schedule I to the Credit Agreement is hereby replaced in its entirety with Schedule I attached hereto and Schedule I attached hereto shall be deemed to be attached as Schedule I to the Credit Agreement.

(o) Exhibit M (Elected Commitment Increase Certificate) and Exhibit N (Additional Lender Certificate) hereto are hereby added as Exhibit M and Exhibit N to the Credit Agreement, and Exhibit M and Exhibit N attached hereto shall be deemed to be attached as Exhibit M and Exhibit N to the Credit Agreement.

Section 4. **Borrowing Base**. Subject to the satisfaction of the conditions below, the Borrowing Base is hereby redetermined to be $575,000,000 effective as of March 8, 2018, and such Borrowing Base shall remain in effect at that level until the Borrowing Base is next redetermined or adjusted pursuant to the terms of the Credit Agreement. For the avoidance of doubt, the Borrowing Base redetermination set forth in this Section 4 shall constitute the regularly scheduled Semi-Annual Redetermination to be made on or about May 1, 2018 pursuant to Section 2.2(b)(i) of the Credit Agreement.

Section 5. **Representations and Warranties**. Each Credit Party represents and warrants that, as of the date hereof: (a) the representations and warranties of such Credit Party contained in the Credit Agreement and in the other Credit Documents 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 Effective Date as if made on and as of such 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) no Default has occurred and is continuing; (c) the execution, delivery and performance of this Agreement are within such Credit Party's powers and have been duly authorized by all necessary corporate, limited liability company, or partnership action; (d) this Agreement constitutes the legal, valid, and binding obligation of such Credit Party enforceable against such Credit Party in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the rights of creditors generally and general principles of equity whether applied by a court of law or equity; (e) the execution, delivery and performance of this Agreement by such Credit Party 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; and (f) the Liens under the Security Documents are valid and subsisting and secure the obligations under the Credit Documents.

Section 6. **Conditions to Effectiveness.** This Agreement shall become effective on the Effective Date and enforceable against the parties hereto upon the occurrence of the following conditions precedent:

(a) The Administrative Agent shall have received multiple original counterparts, as requested by the Administrative Agent, of this Agreement, duly and validly executed and delivered by duly authorized officers of the Borrower, the Guarantors, the Administrative Agent, and each of the Lenders.

(b) The Borrower shall have paid to the Administrative Agent all reasonable out-of-pocket costs and expenses that have been invoiced and are payable pursuant to Section 10.1 of the Credit Agreement.

(c) The Administrative Agent shall have received such other documents, governmental certificates, agreements, and lien searches as the Administrative Agent or any Lender may reasonably request.

(d) The representations and warranties in this Agreement 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) as of such date except to the extent that any such representation or warranty expressly relates solely to an earlier date, in which case it shall have been 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) as of such earlier date, and no Default shall have occurred and be continuing.

(e) The Administrative Agent shall have received duly executed Notes payable to each Lender requesting a Note, if any, in a principal amount equal to (i) its Commitment or, as applicable, its Elected Commitment Amount, in each case dated as of the Effective Date.

(f) The Administrative Agent shall have received (i) duly executed Mortgages (or supplements to existing 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 most recently delivered Engineering Report, and (ii) title information reasonably satisfactory to it on at least 85% of the PV10 of each of the Proven Reserves evaluated in the most recently delivered Engineering Report.

Section 7. **Acknowledgments and Agreements.**

(a) Each Credit Party acknowledges that on the date hereof all outstanding Secured Obligations are payable in accordance with their terms and each Credit Party waives any set-off, counterclaim, recoupment, defense, or other right, in each case, existing on the date hereof, with respect to such Secured Obligations. Each party hereto does hereby adopt, ratify, and confirm the Credit Agreement, as amended hereby, and acknowledges and agrees that the Credit Agreement, as amended hereby, is and remains in full force and effect, and each Credit Party acknowledges and agrees that its respective liabilities and obligations under the Credit Agreement, as amended hereby, and the other Credit Documents are not impaired in any respect by this Agreement.

(b) The Administrative Agent, the Issuing Lender, and the Lenders hereby expressly reserve all of their rights, remedies, and claims under the Credit Documents. Nothing in this Agreement shall constitute a waiver or relinquishment of (i) any Default or Event of Default under any of the Credit Documents, (ii) any of the agreements, terms or conditions contained in any of the Credit Documents, (iii) any rights or remedies of the Administrative Agent, the Issuing Lender, or any Lender with respect to the Credit Documents, or (iv) the rights of the Administrative Agent, the Issuing Lender, or any Lender to collect the full amounts owing to them under the Credit Documents.

(c) This Agreement is a Credit Document for the purposes of the provisions of the other Credit Documents. Without limiting the foregoing, any breach of representations, warranties, and covenants under this Agreement shall be a Default or Event of Default, as applicable, under the Credit Agreement.

Section 8. **Reaffirmation of the Guaranty**. Each Guarantor hereby ratifies, confirms, acknowledges and agrees that its obligations under the Guaranty are in full force and effect and that such Guarantor continues to unconditionally and irrevocably guarantee the full and punctual payment, when due, whether at stated maturity or earlier by acceleration or otherwise, of all the Guaranteed Obligations (as defined in the Guaranty), and its execution and delivery of this Agreement does not indicate or establish an approval or consent requirement by such Guarantor under the Guaranty, in connection with the execution and delivery of amendments, consents or waivers to the Credit Agreement or any of the other Credit Documents.

Section 9. **Reaffirmation of Liens**. Each Credit Party (a) reaffirms the terms of and its obligations (and the security interests granted by it) under each Security Document to which it is a party, and agrees that each such Security Document will continue in full force and effect to secure the Secured Obligations as the same may be amended, supplemented, or otherwise modified from time to time, and (b) acknowledges, represents, warrants and agrees that the Liens and security interests granted by it pursuant to the Security Documents are valid, enforceable and subsisting and create an Acceptable Security Interest to secure the Secured Obligations.

Section 10. **Counterparts.** 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. 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.

Section 11. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted pursuant to the Credit Agreement.

Section 12. **Severability**. In case one or more of the provisions of this Agreement shall for any reason be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein or in the other Credit Documents shall not be affected or impaired thereby.

Section 13. **Governing Law.** This Agreement shall be deemed to be a contract made under and shall be governed by and construed 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).

Section 14. **Entire Agreement. THIS AGREEMENT, THE CREDIT AGREEMENT, THE NOTES, AND THE OTHER CREDIT DOCUMENTS CONSTITUTE THE ENTIRE UNDERSTANDING AMONG THE PARTIES HERETO WITH RESPECT TO THE SUBJECT MATTER HEREOF AND SUPERSEDE ANY PRIOR AGREEMENTS, WRITTEN OR ORAL, WITH RESPECT THERETO.**

THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

[SIGNATURES BEGIN ON NEXT PAGE]

EXECUTED to be effective as of the date first above written.

BORROWER:

BERRY PETROLEUM COMPANY, LLC

By: /s/ Cary Baetz
Name: Cary Baetz
Title: EVP & CFO

GUARANTORS:

BERRY PETROLEUM CORPORATION

By: /s/ Cary Baetz
Name: Cary Baetz
Title: EVP & CFO

ADMINISTRATIVE AGENT/ISSUING LENDER/LENDER:

WELLS FARGO BANK,
NATIONAL ASSOCIATION,
as Administrative Agent, and a Lender

By: /s/ Sarah Thomas
Name: Sarah Thomas
Title: Director

[Signature Page to Amendment No. 2]

LENDERS:

BANK OF MONTREAL, as a Lender

By: /s/ James V. Ducote
Name: James V. Ducote
Title: Managing Director

KEYBANK NATIONAL ASSOCIATION, as a Lender

By: /s/ David M. Bornstein
Name: David M. Bornstein
Title: Senior Vice President

[Signature Page to Amendment No. 2]

ABN AMRO CAPITAL USA LLC,
as a Lender

By: /s/ Darrell Holley
Name: Darrell Holley
Title: Managing Director

By: /s/ Scott Myatt
Name: Scott Myatt
Title: Executive Director

[Signature Page to Amendment No. 2]

BOKF, N.A., as a Lender

By: /s/ Ben W. Suh
Name: Ben W. Suh
Title: Senior Vice President

[Signature Page to Amendment No. 2]

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Nancy Mak
Name: Nancy Mak
Title: Sr. Vice President

[Signature Page to Amendment No. 2]

CITIZENS BANK, N.A., as a Lender

By: /s/ Hernando Garcia
Name: Hernando Garcia
Title: Director

[Signature Page to Amendment No. 2]

CATHAY BANK, as a Lender

By: /s/ Dale T Wilson
Name: Dale T Wilson
Title: Senior Vice President

[Signature Page to Amendment No. 2]

ING CAPITAL LLC, as a Lender

By: /s/ Charles Hall
Name: Charles Hall
Title: Managing Director

By: /s/ Josh Strong
Name: Josh Strong
Title: Director

[Signature Page to Amendment No. 2]

MORGAN STANLEY BANK, N.A., as a Lender

By: /s/ William Jones
Name: William Jones
Title: Authorized Signatory

[Signature Page to Amendment No. 2]

UBS AG, STAMFORD BRANCH, as a Lender

By: /s/ Craig Pearson
Name: Craig Pearson
Title: Associate Director

By: /s/ Houssem Daly
Name: Houssem Daly
Title: Associate Director

[Signature Page to Amendment No. 2]

BP ENERGY COMPANY, as a Lender

By: /s/ TimothyYee
Name: Timothy Yee
Title: Attorney-in-Fact

[Signature Page to Amendment No. 2]

GOLDMAN SACHS LENDING PARTNERS LLC, as a Lender

By: /s/ Chris Lam
Name: Chris Lam
Title: Authorized Signatory

[Signature Page to Amendment No. 2]

MACQUARIE BANK LIMITED, as a Lender

By: /s/ Ted Coupland
Name: Ted Coupland
Title: Division Director
Macquarie Bank Limited

By: /s/ Lynette Ladhams
Name: Lynette Ladhams
Title: Associate Director
CGM Legal

(POA Ref: #2468 dated 7 June 2017 expiring 31 March 2019, signed in Sydney)

IBERIA BANK, as a Lender

By: /s/ Blakely T. Norris
Name: Blakely T. Norris
Title: Vice President

[Signature Page to Amendment No. 2]

ARVEST BANK, as a Lender

By: /s/ Jackie Wagnon
Name: Jackie Wagnon
Title: Vice President

[Signature Page to Amendment No. 2]

SCHEDULE I

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	Elected Commitment	Pro Rata Share
Wells Fargo Bank, National Association	$ 225,000,000.00	$ 60,000,000.00	15.00%
Bank of Montreal	$ 180,000,000.00	$ 48,000,000.00	12.00%
KeyBank National Association	$ 180,000,000.00	$ 48,000,000.00	12.00%
ABN AMRO Capital USA LLC	$ 180,000,000.00	$ 48,000,000.00	12.00%
Capital One, National Association	$ 133,200,000.00	$ 35,520,000.00	8.88%
Citizens Bank, N.A.	$ 133,200,000.00	$ 35,520,000.00	8.88%
Cathay Bank	$ 77,700,000.00	$ 20,720,000.00	5.18%
ING Capital LLC	$ 77,700,000.00	$ 20,720,000.00	5.18%
Morgan Stanley Bank, N.A.	$ 77,700,000.00	$ 20,720,000.00	5.18%
UBS AG, Stamford Branch	$ 77,700,000.00	$ 20,720,000.00	5.18%
BOKF, NA	$ 73,200,000.00	$ 19,520,000.00	4.88%
Iberia Bank	$ 45,000,000.00	$ 12,000,000.00	3.00%
Arvest Bank	$ 15,000,000.00	$ 4,000,000.00	1.00%
BP Energy Company	$ 10,800,000.00	$ 2,880,000.00	0.72%
Goldman Sachs Lending Partners LLC	$ 10,800,000.00	$ 2,880,000.00	0.72%
Macquarie Bank Limited	$ 3,000,000.00	$ 800,000.00	0.20%
Total:	**$1,500,000,000.00**	**$ 400,000,000.00**	**100%**

EXHIBIT M

FORM OF ELECTED COMMITMENT INCREASE CERTIFICATE

[ ], 201[ ]

To: Wells Fargo Bank, National Association,
as Administrative Agent
1700 Lincoln St., 6th Floor
Denver, Colorado 80203
Attention: Joe Rottinghaus
Telephone: (303) 863-5799
Facsimile: (303) 863-5196
Email: joseph.rottinghaus@wellsfargo.com

Reference is made to that certain Credit Agreement dated as of July 31, 2017, among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent" and the "Guarantor"), Wells Fargo Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent"), and the other agents and lenders (the "Lenders") which are or become parties thereto (as amended by that certain Limited Waiver and Amendment No. 1 to Credit Agreement dated as of November 16, 2017, and as further amended by that certain Amendment No. 2 to Credit Agreement dated as of March [ ], 2018, and as further amended, restated, supplemented, or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Credit Agreement.

This Elected Commitment Increase Certificate is being delivered pursuant to Section 2.1(d) of the Credit Agreement.

Please be advised that the undersigned Lender has agreed (a) to increase its Elected Commitment under the Credit Agreement effective [ ], 20[ ] (the "Increase Effective Date") from $[ ] to $[ ] and (b) that it shall continue to be a party in all respects to the Credit Agreement and the other Loan Documents.

[*Signature Pages Follow*]

Very truly yours,

BERRY PETROLEUM COMPANY, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

Accepted and Agreed:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: _____
Name: _____
Title: _____

[Name of Increasing Lender]

By: _____
Name: _____
Title: _____

EXHIBIT N

FORM OF ADDITIONAL LENDER CERTIFICATE

[ ], 201[ ]

To: Wells Fargo Bank, National Association,
as Administrative Agent
1700 Lincoln St., 6th Floor
Denver, Colorado 80203
Attention: Joe Rottinghaus
Telephone: (303) 863-5799
Facsimile: (303) 863-5196
Email: joseph.rottinghaus@wellsfargo.com

Reference is made to that certain Credit Agreement dated as of July 31, 2017, among Berry Petroleum Company, LLC, a Delaware limited liability company (the "Borrower"), Berry Petroleum Corporation, a Delaware corporation (the "Parent" and the "Guarantor"), Wells Fargo Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent"), and the other agents and lenders (the "Lenders") which are or become parties thereto (as amended by that certain Limited Waiver and Amendment No. 1 to Credit Agreement dated as of November 16, 2017, and as further amended by that certain Amendment No. 2 to Credit Agreement dated as of March [ ], 2018, and as further amended, restated, supplemented, or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Credit Agreement.

This Additional Lender Certificate is being delivered pursuant to Section 2.1(d) of the Credit Agreement.

Please be advised that the undersigned Additional Lender has agreed (a) to become a Lender under the Credit Agreement effective as of [ ], 20[ ] (the "Additional Lender Effective Date") with a Commitment of $[ ] and an Elected Commitment of $[ ] and (b) that it shall be a party in all respects to the Credit Agreement and the other Loan Documents.

This Additional Lender Certificate is being delivered to the Administrative Agent together with (i) if the Additional Lender is a Foreign Lender, any documentation required to be delivered by such Additional Lender pursuant to Section 2.13(g) of the Credit Agreement, duly completed and executed by the Additional Lender, and (ii) an Administrative Questionnaire in the form supplied by the Administrative Agent, duly completed by the Additional Lender. [The [Borrower/Additional Lender] shall pay the processing and recordation fee payable to the Administrative Agent pursuant to Section 2.01(d)(ii)(G) of the Credit Agreement.][1]

[*Signature Pages Follow*.]

1 Include, if applicable.

Very truly yours,

BERRY PETROLEUM COMPANY, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

Accepted and Agreed:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: _____
Name: _____
Title: _____

[Name of Additional Lender]

By: _____
Name: _____
Title: _____

Exhibit 21.1

Subsidiaries of Berry Petroleum Corporation

Entity Name	Jurisdiction
Berry Petroleum Company, LLC	Delaware

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Berry Petroleum Corporation:

We consent to the use of our report dated April 11, 2018, except for Note 15, which is as of June 12, 2018, with respect to the consolidated balance sheets of Berry Petroleum Company as of December 31, 2017 (Successor) and 2016 (Predecessor), the related consolidated statements of operations, equity and cash flows for the ten months ended December 31, 2017 (Successor), the two months ended February 28, 2017 and for the year ended December 31, 2016 (Predecessor), and the related notes (collectively the "consolidated financial statements") included herein and to the reference to our firm under the heading "Experts" in the prospectus.

Our report on the consolidated financial statements refers to a change in the basis of presentation for Berry Petroleum Company's emergence from bankruptcy.

(signed) KPMG LLP

Los Angeles, California
June 29, 2018

Exhibit 23.3

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

June 29, 2018

Berry Petroleum Corporation
5201 Truxtun Ave.
Bakersfield, California 93309

Ladies and Gentlemen:

We hereby consent to the use of the name DeGolyer and MacNaughton, to references to DeGolyer and MacNaughton as an independent petroleum engineering consulting firm, and to the use of information from, and the inclusion of, our report of third party dated January 31, 2018, containing our opinion of the proved reserves and future net revenues, as of December 31, 2017, of Berry Petroleum Corporation and the letter addendum thereto dated June 28, 2018, presenting the results of a Price Sensitivity Case, in the form and context in which they appear in the Registration Statement on Form S-1 of Berry Petroleum Corporation and the related prospectus that is a part thereof. We further consent to the reference to DeGolyer and MacNaughton under the heading "EXPERTS" in the Registration Statement and related prospectus.

Very truly yours,

/s/ DeGolyer and MacNaughton

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

Exhibit 99.1

Report as of December 31, 2017

of DeGolyer and MacNaughton

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

January 31, 2018

Berry Petroleum Company, LLC
5201 Truxton Avenue, Suite 100
Bakersfield, CA 93309

Ladies and Gentlemen:

Pursuant to your request, we have prepared estimates of the extent and value of the net proved oil, condensate, natural gas liquids (NGL), and gas reserves, as of December 31, 2017, of certain properties in which Berry Petroleum Company, LLC (Berry) has represented that it owns an interest. This evaluation was completed on January 31, 2018. Berry has represented that these properties account for 100 percent of Berry's net proved reserves as of December 31, 2017. The properties are located in California, Colorado, Texas, and Utah. The net proved reserves estimates have been prepared in accordance with the reserves definitions of Rules 4–10(a) (1)–(32) of Regulation S–X of the Securities and Exchange Commission (SEC) of the United States. This report was prepared in accordance with guidelines specified in Item 1202 (a)(8) of Regulation S–K and is to be used for inclusion in certain SEC filings by Berry.

Reserves estimates included herein are expressed as net reserves. Gross reserves are defined as the total estimated petroleum remaining to be produced from these properties after December 31, 2017. Net reserves are defined as that portion of the gross reserves attributable to the interests owned by Berry after deducting all interests owned by others.

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.

Data used in this evaluation were obtained from reviews with Berry personnel, from Berry files, from records on file with the appropriate regulatory agencies, and from public sources. In the preparation of this report we have relied, without independent verification, upon such 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.

METHODOLOGY AND PROCEDURES

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 19, 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.

Gas reserves estimated herein are expressed as 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 and shrinkage resulting from field separation and processing. 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 herein 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 this report are expressed in barrels (bbl) representing 42 United States gallons per barrel. For reporting purposes, oil and condensate reserves have been estimated separately and are presented herein as a summed quantity.

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.

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 development status shown herein represents the status applicable on December 31, 2017. In the preparation of this study, data available from wells drilled on the evaluated properties through December 31, 2017, were used in estimating gross ultimate recovery. When applicable, gross production estimated through December 31, 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 6 months, since production data from certain properties were available only through June 2017.

PRIMARY ECONOMIC ASSUMPTIONS

Values of proved reserves in this report are expressed in terms of estimated 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 of future net revenue is calculated by discounting the future net revenue at the arbitrary rate of 10 percent per year 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.

Future prices were estimated using guidelines established by the SEC and the Financial Accounting Standards Board (FASB). The assumptions used for estimating future prices and expenses are as follows:

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 $54.42 per barrel and were held constant for the lives of the properties. The Brent oil price of $54.42 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 December 31, 2017. The volume-weighted average prices over the lives of the properties were $48.20 per barrel of oil and condensate and $28.25 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 $2.98 per million British thermal units (MMBtu) and were held constant for the lives of the properties. The Henry Hub gas price of $2.98 per MMBtu is the 12-month average price calculated as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month period prior to December 31, 2017. British thermal unit factors were provided by Berry and used to convert prices from dollars per MMBtu to dollars per thousand cubic feet ($/Mcf). The volume-weighted average price over the lives of the properties was $2.935 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 for proposed undeveloped wells, where they are shown with the individual property.

The estimates of Berry's net proved reserves attributable to the reviewed properties were based on the definition of proved reserves of the SEC and are summarized as follows, expressed in thousands of barrels (Mbbl), millions of cubic feet (MMcf), and thousands of barrels of oil equivalent (Mboe):

	Estimated by DeGolyer and MacNaughton Net Proved Reserves as of December 31, 2017			
	Oil and Condensate (Mbbl)	NGL (Mbbl)	Sales Gas (MMcf)	Oil Equivalent (Mboe)
Proved				
Developed Producing	62,615	1,263	99,997	80,544
Developed Non-Producing	5,875	8	387	5,947
Total Proved Developed	**68,490**	**1,271**	**100,384**	**86,491**
Undeveloped	32,106	0	136,720	54,893
Total Proved	**100,596**	**1,271**	**237,104**	**141,384**

Note: Gas is converted to oil equivalent using an energy equivalent factor of 6,000 cubic feet of gas per 1 barrel of oil equivalent.

The estimated future revenue and costs attributable to the production and sale of Berry's net proved reserves, as of December 31, 2017, of the properties reviewed under the aforementioned assumptions concerning future prices and costs are summarized in thousands of dollars (M$) as follows:

	Proved Developed Producing (M$)	Proved Developed Non-Producing (M$)	Total Proved Developed (M$)	Proved Undeveloped (M$)	Total Proved (M$)
Future Gross Revenue	3,268,939	292,456	3,561,395	2,019,053	5,580,448
Production Taxes	66,914	3,316	70,230	13,186	83,416
Ad Valorem Taxes	85,610	9,520	95,130	62,336	157,466
Operating Expenses	1,692,989	96,657	1,789,646	696,019	2,484,665
Capital Costs	49,872	9,971	59,843	487,888	547,731
Abandonment Costs	92,700	286	92,986	37,596	130,582
Future Net Revenue	1,280,854	173,706	1,454,560	722,028	2,176,588
Present Worth at 10 Percent	762,313	89,447	851,760	262,399	1,114,159

Note: Future income tax expenses 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 December 31, 2017, estimated reserves.

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), 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 and (ii) estimates of the proved developed and proved undeveloped reserves are not presented at the beginning of the 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.

DeGolyer and MacNaughton is an independent petroleum engineering consulting firm that has been providing petroleum consulting services throughout the world since 1936. DeGolyer and MacNaughton does not have any financial interest, including stock ownership, in Berry. Our fees were not contingent on the results of our evaluation. This letter report has been prepared at the request of Berry. DeGolyer and MacNaughton has used all assumptions, data, procedures, and methods that it considers necessary and appropriate to prepare this report.

Submitted,

/s/ DeGolyer and MacNaughton

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

/s/ Gregory K. Graves
Gregory K. Graves, P.E.
Senior Vice President
DeGolyer and MacNaughton

[SEAL]

CERTIFICATE of QUALIFICATION

I, Gregory K. Graves, Petroleum Engineer with DeGolyer and MacNaughton, 5001 Spring Valley Road, Suite 800 East, Dallas, Texas, 75244 U.S.A., hereby certify:

1. That I am a Senior Vice President with DeGolyer and MacNaughton, which company did prepare the letter report addressed to Berry dated January 31, 2018, and that I, as Senior Vice President, was responsible for the preparation of this letter report.

2. That I attended the University of Texas at Austin, and that I graduated with a Bachelor of Science degree in Petroleum Engineering in the year 1984; that I am a Registered Professional Engineer in the State of Texas; that I am a member of the Society of Petroleum Engineers and the Society of Petroleum Evaluation Engineers; and that I have in excess of 33 years of experience in oil and gas reservoir studies and reserves evaluations.

/s/ Gregory K. Graves

Gregory K. Graves, P.E.
Senior Vice President
DeGolyer and MacNaughton

[SEAL]

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244
June 28, 2018

Berry Petroleum Company, LLC
5201 Truxton Avenue, Suite 100
Bakersfield, CA 93309

Ladies and Gentlemen:

Pursuant to your request, we have prepared this letter to serve as an addendum, as of December 31, 2017, to our report of third party dated January 31, 2018, containing our opinion of the proved reserves and revenue, as of December 31, 2017, of Berry Petroleum Company, LLC (the ROTP) to present additional information as an extension of the ROTP. This letter was completed on June 28, 2018. The purpose of this letter is to prepare a Price Sensitivity Case on the properties evaluated in the ROTP. This letter is subject to the terms, definitions, assumptions, explanations, conclusions, and conditions described in the ROTP. However, the future price forecast for this Price Sensitivity Case does not meet the guidelines established by the United States Securities and Exchange Commission (SEC); therefore, the reserves and revenue presented herein should not be used to meet the requirements of the SEC.

Oil, condensate, natural gas liquids (NGL), and gas prices in the Price Sensitivity Case differ from the fixed prices in the ROTP. The price forecast for this sensitivity was provided by Berry and has been represented by Berry as reflective of the futures market price of Brent Oil on May 31, 2018, and the futures market price of Henry Hub Gas on May 31, 2018.

The price differentials used herein for each product differ from those used in the ROTP. The price differentials used for this sensitivity were provided by Berry and were represented by Berry as reflective of the price differentials calculated for the properties evaluated in the ROTP during the month of May 2018.

For this letter, the as-of date of this Price Sensitivity Case, December 31, 2017, is the same as that used for the ROTP, and the prices in the following table were applied to the production forecast estimates previously prepared for the properties evaluated in the ROTP. However, the production forecast estimates in this letter were allowed to run until a new economic limit, based on the respective Price Sensitivity Case, was reached. As such, the projections of estimated proved production and revenue present alternative outcomes to the projections of estimated proved production and revenue presented in the ROTP. Except as noted above concerning the price differentials, all other economic components of the evaluation for the Price Sensitivity Case are the same as contained in the ROTP. Even though this Price Sensitivity Case was completed on June 28, 2018, no additional data beyond that used for the ROTP were incorporated herein. A detailed explanation of these economic assumptions is contained under the Primary Economic Assumptions heading of the ROTP.

The Price Sensitivity Case oil, condensate, NGL, and gas prices used in this letter are as follows, expressed in dollars per barrel ($/bbl) and dollars per million British thermal units ($/MMBtu):

Year	Oil, Condensate, and NGL Price ($/bbl)	Gas Price ($/MMBtu)
2018	74.59	2.94
2019	72.98	2.75
2020	69.15	2.68
2021 and thereafter	66.49	2.66

The volume-weighted average prices over the lives of the properties were $61.67 per barrel of oil and condensate, $19.49 per barrel of NGL, and $1.943 per thousand cubic feet of gas.

The estimates of Berry's net proved reserves attributable to the properties evaluated under the Price Sensitivity Case described herein are summarized as follows, expressed in thousands of barrels (Mbbl), millions of cubic feet (MMcf), and thousands of barrels of oil equivalent (Mboe):

	Price Sensitivity Case Estimated by DeGolyer and MacNaughton Net Proved Reserves as of December 31, 2017			
	Oil and Condensate (Mbbl)	NGL (Mbbl)	Sales Gas (MMcf)	Oil Equivalent (Mboe)
Proved				
Developed Producing	64,277	1,117	66,937	76,551
Developed Non-Producing	6,013	8	392	6,086
Total Proved Developed	**70,290**	**1,125**	**67,329**	**82,637**
Undeveloped	32,102	0	0	32,102
Total Proved	**102,392**	**1,125**	**67,329**	**114,739**

Note: Gas is converted to oil equivalent using an energy equivalent factor of 6,000 cubic feet of gas per 1 barrel of oil equivalent.

The estimated future revenue and costs attributable to the production and sale of Berry's net proved reserves, as of December 31, 2017, of the properties reviewed under the Price Sensitivity Case described herein are summarized in thousands of dollars (M$) as follows:

	Proved Developed Producing (M$)	Proved Developed Non-Producing (M$)	Total Proved Developed (M$)	Proved Undeveloped (M$)	Total Proved (M$)
Future Gross Revenue	4,028,481	379,021	4,407,502	2,059,708	6,467,210
Production Taxes	65,737	3,514	69,251	11,621	80,872
Ad Valorem Taxes	106,156	12,337	118,493	64,163	182,656
Operating Expenses	1,666,065	98,698	1,764,763	525,438	2,290,201
Capital Costs	49,872	9,971	59,843	347,654	407,497
Abandonment Costs	92,700	286	92,986	34,936	127,922
Future Net Revenue	2,047,951	254,215	2,302,166	1,075,896	3,378,062
Present Worth at 10 Percent	1,205,255	135,557	1,340,812	520,804	1,861,616

Note: Future income tax expenses have not been taken into account in the preparation of these estimates.

Apart from the main body of the ROTP, this letter may be subject to misunderstanding or misinterpretation. The ROTP should be relied upon solely as the source of authoritative final results.

Submitted,

/s/ DeGolyer and MacNaughton

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

/s/ Gregory K. Graves
Gregory K. Graves, P.E.
Senior Vice President
DeGolyer and MacNaughton

[SEAL]