

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
SAMSON RESOURCES CORPORATION, <i>et al.</i> , ¹)	Case No. 15-11934 (CSS)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket No. 1425

NOTICE OF SUCCESSFUL BIDDER AND BACKUP BIDDER

PLEASE TAKE NOTICE that, on September 30, 2016, the United States Bankruptcy Court for the District of Delaware entered the *Order (I) Establishing Bidding Procedures and Granting Related Relief and (II) Approving the Sale of Certain Assets Free and Clear of Liens, Claims, Encumbrances, and Interests* [Docket No. 1425] (the “Bidding Procedures Order”). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Bidding Procedures Order.

PLEASE TAKE FURTHER NOTICE that, in the absence of alternative Bids for the Central Anadarko Assets, the West Anadarko Assets, the East Anadarko Assets, the Williston Assets, or the San Juan Assets, the Successful Bidders for such assets are as follows:

- as to the Central Anadarko Assets, Fairway Resources Partners III, LLC with a Bid of \$132,033,000.00;
- as to the East Anadarko Assets, Rebellion Energy, LLC with a Bid of \$152,450,000.00;
- as to the West Anadarko Assets, Tecolote Holdings, LLC with a Bid of \$131,065,300.00;
- as to the Williston Assets, Resource Energy Can-Am LLC with a Bid of \$75,000,000.00; and
- as to the San Juan Assets, the Southern Ute Indian Tribe, d/b/a Red Willow Production Company with a Bid of \$115,500,000.00.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Geodyne Resources, Inc. (2703); Samson Contour Energy Co. (7267); Samson Contour Energy E&P, LLC (2502); Samson Holdings, Inc. (8587); Samson-International, Ltd. (4039); Samson Investment Company (1091); Samson Lone Star, LLC (9455); Samson Resources Company (8007); and Samson Resources Corporation (1227). The location of parent Debtor Samson Resources Corporation’s corporate headquarters and the Debtors’ service address is: Two West Second Street, Tulsa, Oklahoma 74103.

PLEASE TAKE FURTHER NOTICE that, on October 6, 2016, the Debtors provided notice that, in accordance with the Bidding Procedures Order, the Debtors would conduct an Auction for the Permian Minerals Assets [Docket No. 1454].

PLEASE TAKE FURTHER NOTICE that, on October 10, 2016, in accordance with the Bidding Procedures Order, the Debtors conducted an Auction for the Permian Minerals Assets at the offices of Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654. Four Qualified Bidders participated in the Auction, which comprised 37 rounds of Overbids.

PLEASE TAKE FURTHER NOTICE that, at the conclusion of the Auction, the Debtors declared Stone Hill Minerals Holdings, LLC as the Successful Bidder for the Permian Minerals Assets with the highest or otherwise best Bid of \$51,700,000.00. The Asset Purchase Agreement for the Successful Bidder is attached hereto as **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that, at the conclusion of the Auction, the Debtors declared Saxet Minerals, LLC, and Royalty Interests Partnership, LP, collectively, as the Backup Bidder for the Permian Minerals Assets with the next-highest or otherwise second-best Bid of \$51,500,000.00.

PLEASE TAKE FURTHER NOTICE that the Sale Hearing will be held on October 17, 2016 at 10:00 a.m. (prevailing Eastern Time) before the Honorable Christopher S. Sontchi, United States Bankruptcy Court for the District of Delaware, 824 Market Street, 5th Floor, Courtroom No. 6, Wilmington, Delaware 19801.

[Remainder of page intentionally left blank.]

Dated: October 11, 2016
Wilmington, Delaware



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Co-Counsel for the Debtors and Debtors in Possession

EXHIBIT A

Successful Bidder Asset Purchase Agreement

ASSET PURCHASE AGREEMENT

DATED AS OF OCTOBER 10, 2016,

BY AND BETWEEN

SAMSON RESOURCES COMPANY,

GEODYNE RESOURCES, INC. AND

SAMSON LONE STAR, LLC

COLLECTIVELY, AS SELLER,

AND

STONE HILL MINERALS HOLDINGS, LLC,

AS BUYER

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Exhibit A	Intentionally Omitted
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Exhibit F	Form of Assumption Agreement
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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”), dated as of October 10, 2016 (the “Execution Date”), but effective for all purposes as of the Effective Date, is by and between Samson Resources Company, an Oklahoma corporation (“Samson”), Geodyne Resources, Inc., a Delaware corporation (“Geodyne”), and Samson Lone Star, LLC, a Delaware limited liability company (“SLS,” and collectively with Samson and Geodyne, “Seller”), each having an address of Samson Plaza, Two West Second Street, Tulsa, Oklahoma 74103, and Stone Hill Minerals Holdings, LLC, a Delaware limited liability company, whose address is 1320 S. University Drive, Suite 500, Fort Worth, TX 76107 (“Buyer”). Capitalized terms used but not otherwise defined herein have the meanings set forth in Article 1. Seller and Buyer are sometimes referred to collectively herein as the “Parties” and individually as a “Party”.

RECITALS

WHEREAS, Seller is engaged in the business of onshore oil and natural gas exploration, development and production in the United States of America, and owns, in varying proportions, certain oil and gas leases, mineral interests, royalty interests and associated assets more particularly described in Section 2.1;

WHEREAS, on September 16, 2015, Seller commenced a voluntary case under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”);

WHEREAS, Seller desires to sell to Buyer all of the Assets, and Buyer desires to purchase from Seller all of the Assets and assume all of the Assumed Liabilities, upon the terms and conditions hereinafter set forth;

WHEREAS, the Parties intend to effectuate the transactions contemplated by this Agreement through a sale of the Assets pursuant to Sections 105, 363 and 365 of the Bankruptcy Code; and

WHEREAS, Seller’s ability to consummate the transactions set forth in this Agreement is subject to, among other things, the entry of the Sale Order by the Bankruptcy Court;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Definitions.

For purposes of this Agreement, the following terms have the meanings specified or referenced below.

“Accounting Referee” has the meaning set forth in Section 8.12.

“Action” means any legal action, suit or arbitration, or any inquiry, proceeding or investigation, by or before any Governmental Authority.

“AFEs” has the meaning set forth in Section 5.8.

“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” has the meaning set forth in the introductory paragraph.

“Allocated Value” has the meaning set forth in Section 8.2.

“Alternative Transaction” has the meaning set forth in Section 2.8.

“Asset Taxes” has the meaning set forth in Section 8.1(b).

“Assets” has the meaning set forth in Section 2.1(b).

“Assigned Contracts” has the meaning set forth in Section 2.1(b)(x).

“Assigned Leases” has the meaning set forth in Section 2.1(b)(iii).

“Assigned Leases and Interests” has the meaning set forth in Section 2.1(b)(iii).

“Assignment” means the Assignment and Bill of Sale substantially in the form attached hereto as Exhibit G.

“Assumed Liabilities” has the meaning set forth in Section 2.3.

“Assumption Agreement” has the meaning set forth in Section 2.3.

“Auction” has the meaning set forth in the Bidding Procedures.

“Avoidance Actions” means any and all claims for relief of Seller under chapter 5 of the Bankruptcy Code.

“Backup Bidder” has the meaning set forth in the Bidding Procedures.

“Bankruptcy Case” means the case commenced by Seller under chapter 11 of the Bankruptcy Code in the Bankruptcy Court, styled In re: Samson Resources Corporation, *et al.*, jointly administered under Case No. 15-11934, and pending before the Bankruptcy Court.

“Bankruptcy Code” means Title 11 of the United States Code, Sections 101 *et seq.*

“Bankruptcy Court” has the meaning set forth in the recitals.

“Base Purchase Price” has the meaning set forth in Section 3.1.

“Bid Deadline” has the meaning set forth in the Bidding Procedures Order.

“Bidding Procedures” means the bid procedures approved by the Bankruptcy Court pursuant to the Bidding Procedures Order.

“Bidding Procedures Order” means that certain *Order (i) Establishing Bidding Procedures and Granting Related Relief and (ii) Approving the Sale of Certain Assets Free and Clear of Liens, Claims, Encumbrances, and Interests* [Docket No. 1425] entered by the Bankruptcy Court on or about September 30, 2016.

“Business Day” means any day, other than Saturday or Sunday, on which commercial banks are open for commercial business with the public in Tulsa, Oklahoma.

“Buyer” has the meaning set forth in the introductory paragraph.

“Buyer Parties” means Buyer, its respective Affiliates and the former, current or future equity holders and Representatives of each of the foregoing.

“Buyer Termination Notice” has the meaning set forth in Section 11.1(b)(i).

“Casualty Loss” means any loss, damage or destruction of the Assets that occurs during the period between the Execution Date and the Closing for any reason, including any act of God, fire, explosion, collision, earthquake, windstorm, flood, or other casualty or condemnation taking under the right of eminent domain, but excluding any loss, damage, or destruction as a result of depreciation, ordinary wear and tear, and any change in condition of the Assets for production of Hydrocarbons through normal depletion (which exclusion shall include the watering-out of any Well, collapsed casing, sand infiltration of any Well, or other reservoir changes relating to production issues).

“Closing” has the meaning set forth in Section 4.1.

“Closing Date” has the meaning set forth in Section 4.1.

“Code” means the Internal Revenue Code of 1986, as amended.

“Committee” means the official committee of unsecured creditors appointed in the Bankruptcy Case pursuant to section 1102(a) of the Bankruptcy Code.

“Contract” means any agreement, contract, obligation, promise or undertaking (in each case, whether written or oral), other than a Lease, 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.

“Copyrights” means all United States and foreign copyright rights in any original works of authorship, whether registered or unregistered, including all copyright registrations and applications.

“Cure Costs” has the meaning set forth in Section 2.5.

“Deed” means a Deed substantially in the form attached hereto as Exhibit H.

“Deposit” has the meaning set forth in Section 3.2.

“Effective Date” means 12:00 a.m. on July 1, 2016.

“Encumbrance” means any charge, lien, claim, mortgage, lease, sublease, hypothecation, deed of trust, pledge, security interest, option, right of use or possession, right of first offer or first refusal, easement, servitude, restrictive covenant, encroachment, encumbrance, third party interest or other restriction or limitation of any kind.

“Environmental Laws” means any and all present and future Legal Requirements, statutes, regulations, rules, orders, ordinances, codes, plans, requirements, criteria, standards, decrees, judgments, injunctions, notices, demand letters, permits, licenses or determinations issued, or promulgated by any Governmental Authority now or hereafter in effect, and in each as amended or supplemented from time to time, and any applicable administrative or judicial interpretation thereof, pertaining to (a) use, storage, emission, discharge, clean-up, release, or threatened release of pollutants, contaminants, NORM, chemicals, or industrial, toxic or hazardous substances (collectively, “Pollutants”) on or into the environment or otherwise relating

to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation or handling of Pollutants, (b) health, (c) the environment or (d) wildlife or natural resources applicable to the Assets and in effect in or for the jurisdiction in which the Assets are located, including the Clean Air Act (Air Pollution Control Act), the Clean Water Act (CWA), the Federal Water Pollution Act, the Rivers and Harbors Act, the Safe Drinking Water Act, the National Environmental Policy Act of 1969 (NEPA), the Endangered Species Act (ESA), the Fish and Wildlife Conservation Act of 1980, the Fish and Wildlife Coordination Act (FWCA), the Oil Pollution Act, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), the Superfund Amendments and Reauthorization Act of 1986 (SARA), the Resources Conservation and Recovery Act (RCRA), the Toxic Substance Control Act, the Occupational, Safety and Health Act (OSHA), the Emergency Planning and Community Right-To-Know Act (EPCRA), the Hazardous Materials Transportation Act, the Hazardous and Solid Waste Amendments of 1984 (HSWA) and any and all other applicable present and future federal, state and local Legal Requirements, statutes, regulations, rules, orders, ordinances, codes, plans, requirements, criteria, standards, decrees, judgments, injunctions, notices, demand letters, permits, licenses or determinations whose purpose is to regulate Pollutants or to conserve or protect health, the environment, wildlife or natural resources as any of the foregoing are now existing or may hereafter be amended or interpreted.

“Equipment” has the meaning set forth in Section 2.1(b)(vi).

“Escrow Agent” has the meaning set forth in Section 3.2.

“Excluded Assets” has the meaning set forth in Section 2.2.

“Excluded Contracts” means those Contracts described on Schedule 2.2(h).

“Excluded Leases and Interests” means those Leases and Mineral Interests described on Schedule 2.2(g).

“Excluded Liabilities” has the meaning set forth in Section 2.4.

“Excluded Records” means (a) the general corporate files and records of Seller, insofar as they relate to Seller’s business generally and are not required for the future ownership or operation of the Assets, (b) all legal files and records (other than title opinions), (c) Seller’s federal or state income, franchise or margin tax files and records, (d) employee files, (e) reserve evaluation information or economic projections, (f) records relating to the sale of the Assets, including competing bids, (g) proprietary data, information and data under contractual restrictions on assignment or disclosure, (h) privileged information and (i) any other files or records to the extent relating to any Excluded Assets or any of the Seller’s assets other than the Assets, or expressly excluded from the Assets pursuant to Section 2.1(b)(xiii).

“Execution Date” has the meaning set forth in the introductory paragraph.

“Expiration Date” has the meaning set forth in Section 12.2.

“Final Order” means an Action taken or Order issued by the applicable Governmental Authority as to which: (a) no request for stay of the Action or Order is pending, no such stay is in effect, and, if any deadline for filing any such request is designated by statute or regulation, it is passed, including any extensions thereof; (b) no petition for rehearing or reconsideration of the Action or Order, or protest of any kind, is pending before the Governmental Authority and the time for filing any such petition or protest is passed; (c) the

Governmental Authority does not have the Action or Order under reconsideration or review on its own motion and the time for such reconsideration or review has passed; and (d) the Action or Order is not then under judicial review, there is no notice of appeal or other application for judicial review pending, and the deadline for filing such notice of appeal or other application for judicial review has passed, including any extensions thereof.

“Final Settlement Statement” has the meaning set forth in Section 8.12.

“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.

“Governmental Authorization” means any approval, consent, license, permit, waiver or other authorization issued, granted or otherwise made available by or under the authority of any Governmental Authority.

“Hard Consent” has the meaning set forth in Section 2.6.

“Hazardous Substance” means any Pollutant and any “contaminant,” “hazardous waste,” “hazardous material” or “hazardous substance” under any Environmental Laws.

“Hydrocarbons” means oil, gas, minerals, and other gaseous and liquid hydrocarbons, or any combination of the foregoing, produced from and attributable to the Properties.

“Imbalances” means over-production or under-production or over-deliveries or under-deliveries with respect to Hydrocarbons produced from or allocated to the Properties, regardless of whether such over-production or under-production or over-deliveries or under-deliveries arise at the wellhead, pipeline (taking into account any line fill), gathering system, transportation system, processing plant, or other location, including any imbalances under gas balancing or similar agreements, imbalances under production handling agreements, imbalances under processing agreements, imbalances under the Assigned Leases and Interests, imbalances under gathering or transportation agreements, and imbalances under operating agreements.

“Indemnification Claim” has the meaning set forth in Section 12.4(a).

“Intellectual Property” means all intellectual property, including all Copyrights, Patents and Trademarks, owned, used or licensed by Seller and used or held for use exclusively in the ownership and operation of the Assets, but specifically excluding, for the avoidance of doubt, (a) all seismic, geological, geochemical or geophysical data licensed by Seller and any of Seller’s interpretations of such data and (b) that certain intellectual property being more particularly described on Schedule 2.1(b)(xvi).

“Knowledge” means, with respect to any matter in question, (a) in the case of Seller, the actual or constructive knowledge of any of the individuals listed on Schedule 1.1(a) with respect to such matter, and (b) in the case of Buyer, the actual knowledge (without any duty of inquiry) of any of the individuals listed on Schedule 1.1(b) with respect to such matter. For purposes hereof, an individual has “constructive knowledge” of those matters which the individual involved could reasonably be expected to have as a result of undertaking an investigation of such a scope and extent as a reasonably prudent Person would undertake concerning the particular subject matter.

“Known Receivables” means all expenditures incurred by Seller prior to the Effective Date in connection with the ownership, operation and maintenance of the 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 to third party working interest owners, which, as of two (2) Business Days prior to the Closing Date, remain outstanding and owed to Seller, such amounts and third parties being more particularly described on Schedule 2.1(b)(xiv), which the Parties agree shall be updated two (2) Business Days prior to the Closing Date.

“Lease” means any existing oil and gas lease, oil, gas and mineral lease or sublease, and other leasehold interest, and the leasehold estates created thereby, including carried interests, rights of recoupment, options, reversionary interests, convertible interests and rights to reassignment. For the avoidance of doubt, the term “Lease” shall not include any Mineral Interest, Royalty Interest or Contract.

“Legal Requirement” means any federal, state, provincial, local, municipal, foreign, international, multinational, or other administrative Order, constitution, law, ordinance, principle of common law, regulation, statute or treaty.

“Liability” means any and all claims, rights, demands, causes of action, liabilities (including civil fines), 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 law, equity, statute, contract, tort, strict liability or voluntary settlement, and all reasonable expenses, costs and fees (including reasonable attorneys’ fees) in connection therewith.

“Material Adverse Effect” means any change, event or occurrence that individually or in the aggregate (taking into account all other such changes, events or occurrences) has had a material adverse change in or material adverse effect on the Assets or Seller taken as a whole, but excluding (a) any change or effect to the extent that it results from or arises out of (i) the pendency of the Bankruptcy Case or the financial condition of Seller; (ii) the execution and delivery of this Agreement or the announcement thereof or consummation of the transactions contemplated hereby; (iii) changes in (or proposals to change) Legal Requirements, generally accepted accounting principles or other accounting regulations or principles; (iv) acts of God, including hurricanes, storms and other natural disasters; or (v) any action contemplated by this Agreement or taken at the request of Buyer; (b) any change or effect generally applicable to (i) the industries and markets in which Seller operates or (ii) economic or political conditions or interest rates, exchange rates, commodity prices or the securities or financial markets in any country or region; (c) any outbreak or escalation of hostilities or war or any act of terrorism; (d) the departure of officers or directors of Seller after the Execution Date; (e) any objections in the Bankruptcy Court to (i) this Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby, (ii) the reorganization of Seller and any related plan of reorganization or disclosure statement, (iii) the Bidding Procedures or the Sale Motion, or (iv) the assumption or rejection of any Material Assigned Contract; (f) any Order of the Bankruptcy Court or any actions or omissions of Seller in compliance therewith; (g) any action taken by Seller at the request of, or with the consent of, Buyer; and (h) any of the matters disclosed on any Exhibit, Schedule or Disclosure Schedule to this Agreement.

“Material Assigned Contracts” means, to the extent related to the Assets, the following: (a) any Assigned Contract that can reasonably be expected to result in aggregate payments by or revenues to Seller or Buyer with respect to the Assets of more than One Hundred Thousand Dollars (\$100,000) net to the interest of Seller during the current fiscal year (based solely on the terms thereof and without regard to any expected increase in volumes or revenues); (b) Hydrocarbon purchase and sale, exchange, marketing, compression, gathering, transportation, processing, refining or similar Assigned Contracts (in each case) to which Seller is a party (or to which any portion of the Assets is subject) with respect to Hydrocarbons from the Assets that is not terminable without penalty on ninety (90) days or less notice (including any Assigned Contract providing for volumetric or monetary commitments or indemnification therefor or for dedication of future production); (c) any Assigned Contract binding upon Seller to sell, lease, farmout, or otherwise dispose of or encumber any interest in any of the Assets after the Effective Date, other than (i) conventional rights of reassignment arising in connection with Seller’s surrender or release of any of the Assets (except where any such right of reassignment has already been triggered) or (ii) conventional rights of reassignment arising in connection with a payout, risk penalty, recoupment period or similar obligation where Seller’s Net Revenue Interest after reassignment, or Seller’s after-payout interest is reflected on **Exhibit D**; (d) any Assigned Contract that would, by its express terms, obligate Buyer to drill additional wells or conduct other material development operations after the Closing; (e) any Assigned Contracts that constitute a non-competition agreement or any agreement that purports to materially restrict, limit, or prohibit the manner in which, or the locations in which Seller conducts business, including areas of mutual interest; (f) any Assigned Contracts providing for any call upon, option to purchase, or similar rights with respect to the Assets or to the production therefrom or the processing thereof, or is a dedication of production or otherwise requires production to be transported, processed or sold in a particular fashion; and (g) any Assigned Contracts between the Seller, on one side, and any Affiliate of Seller, on the other.

“Mineral Interests” means the mineral fee interests, mineral rights and mineral servitudes described in Exhibit C-1.

“Miscellaneous Corporate Property” has the meaning set forth in Section 2.1(b)(vii).

“Net Revenue Interest” means, for any Well, Seller’s share of the Hydrocarbons produced, saved and marketed therefrom (after satisfaction of all other royalties, overriding royalties, nonparticipating royalties, net profits interests, or other similar burdens on or measured by production of Hydrocarbons).

“Non-Disclosure Agreement” has the meaning set forth in Section 13.1.

“NORM” means naturally occurring radioactive materials.

“Order” means any award, writ, injunction, judgment, order or decree entered, issued, made, or rendered by any Governmental Authority.

“Outside Date” has the meaning set forth in Section 11.1(a)(iii).

“Party” or “Parties” means, individually or collectively, Buyer and Seller.

“Party Affiliate” has the meaning set forth in Section 13.13.

“Patents” means United States and foreign patents and patent applications, as well as any continuations, continuations-in-part, divisions, extensions, reexaminations, reissues, renewals and patent disclosures related thereto.

“Paying Party” has the meaning set forth in Section 8.1(c).

“Permits” has the meaning set forth in Section 2.1(b)(ix).

“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.

“Petition Date” means September 16, 2015.

“Pollutants” has the meaning set forth in the definition of “Environmental Laws”.

“Post-Closing Covenant” has the meaning set forth in Section 12.1.

“Potential Bidders” has the meaning set forth in Section 7.7.

“Preferential Purchase Right” means any right or agreement that enables any Person to purchase or acquire any Asset or any interest therein or portion thereof as a result of or in connection with the execution or delivery of this Agreement or the consummation of the transactions contemplated hereby.

“Preliminary Settlement Statement” means that certain statement provided by Seller to Buyer pursuant to Section 8.11, as amended (if applicable) by mutual agreement prior to Closing, setting forth those initial adjustments to the Base Purchase Price made at Closing.

“Proceeding” means any Action, arbitration, audit, hearing, investigation, litigation, or suit (whether civil, criminal, administrative or investigative) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Authority.

“Properties” has the meaning set forth in Section 2.1(b)(iv).

“Purchase Price” has the meaning set forth in Section 3.1.

“Records” has the meaning set forth in Section 2.1(b)(xiii).

“Reimbursing Party” has the meaning set forth in Section 8.1(c).

“Representative” means, with respect to a particular Person, any director, officer, member, manager, partner, employee, agent, consultant, advisor, investor, shareholder, contractor, subcontractor or other representative of such Person, including legal counsel, accountants and financial advisors.

“Royalty Interests” means the royalty interests, overriding royalty interests, net profits interests, production payments and other rights of a similar nature described in Exhibit C-2.

“Sale Motion” means the motion or motions, in form and substance reasonably satisfactory to Buyer, filed by Seller pursuant to, *inter alia*, Sections 105, 363 and 365 of the Bankruptcy Code seeking entry of the Bidding Procedures Order and the Sale Order and approval of the transactions contemplated by this Agreement.

“Sale Order” means an Order of the Bankruptcy Court, in form and substance approved by Buyer (such approval not to be unreasonably withheld or conditioned so long as the

Order is not inconsistent with, and does not limit the rights of Buyer under, this Agreement or the Bidding Procedures), pursuant to, *inter alia*, Sections 105, 363 and 365 of the Bankruptcy Code authorizing and approving, *inter alia*, the sale of the Assets to Buyer on the terms and conditions set forth herein, free and clear of all encumbrances (as defined in the Sale Order), and the assumption and assignment of the Assigned Contracts and the Assigned Leases and Interests to Buyer, and containing a finding that Buyer has acted in “good faith” within the meaning of Section 363(m) of the Bankruptcy Code, a proposed version of which Order is to be filed by Seller with the Bankruptcy Court no later than ten (10) days prior to the hearing on the Sale Motion.

“Seller” has the meaning set forth in the introductory paragraph.

“Seller Credit Obligations” has the meaning in Section 8.4(c).

“Seller Group” means Seller, its respective Affiliates and the former, current or future partners, co-owners, equity holders and Representatives of each of the foregoing.

“Seller Indemnified Parties” has the meaning set forth in Section 12.3(a).

“Seller Termination Notice” has the meaning set forth in Section 11.1(c)(i).

“Straddle Period” has the meaning set forth in Section 8.1(b).

“Subsidiary” means any entity with respect to which a specified Person (or a Subsidiary thereof) has the power, through the ownership of securities or otherwise, to elect a majority of the directors or similar managing body.

“Successful Bidder” has the meaning set forth in the Bidding Procedures.

“Surface Rights” means all surface leases, subsurface leases, rights-of-way, licenses, easements and other surface or subsurface rights agreements applicable to, or 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 Properties, together with all surface fee interests in the lands covered by the Assigned Leases and Interests and all other surface rights of Seller of any kind to the extent described on Exhibit C-4.

“Suspense Funds” means proceeds of production and associated penalties and interest in respect of any of the Assets that are payable to third parties and are being held in suspense by Seller as the operator of such Assets.

“Tax” or “Taxes” (and with correlative meaning, “Taxable” and “Taxing”) means (i) all taxes, assessments, fees and similar charges imposed by any Governmental Authority, including any federal, state, provincial, local, foreign or other income, alternative, minimum, add-on minimum, accumulated earnings, personal holding company, franchise, capital stock, net worth, capital, profits, intangibles, windfall profits, gross receipts, value added, sales, use, goods and services, excise, customs duties, transfer, conveyance, mortgage, registration, stamp, documentary, recording, premium, severance, environmental (including taxes under Section 59A of the Code), natural resources, real property, personal property, ad valorem, intangibles, rent, occupancy, license, occupational, employment, unemployment insurance, social security, disability, workers’ compensation, payroll, health care, withholding, estimated or other tax of any kind whatsoever, whether computed on a separate or consolidated, unitary or combined basis, or in any other manner, including any interest, penalty or addition thereto, whether disputed or

not and (ii) any liability in respect of any item described in clause (i) above that arises by reason of a contract, assumption, transferee or successor liability, operation of Law or otherwise.

“Tax Allocation” has the meaning set forth in Section 8.2.

“Tax Return” means any return, declaration, report, claim for refund, information return or other document (including any related or supporting estimates, elections, schedules, statements, or information) filed or required to be filed in connection with the determination, assessment or collection of any Tax or the administration of any laws, regulations or administrative requirements relating to any Tax.

“Trademarks” means United States, state and foreign trademarks, service marks, logos, slogans, trade dress and trade names, Internet domain names and any other similar designations of source of goods or services, whether registered or unregistered, and registrations and pending applications to register the foregoing, and all goodwill related to or symbolized by the foregoing.

“Transaction Documents” means this Agreement and any other agreements, instruments or documents entered into pursuant to this Agreement.

“Transfer Taxes” has the meaning set forth in Section 8.1(a).

“Wells” has the meaning set forth in Section 2.1(b)(iv).

“Working Interest” means, for any Well, that share of costs and expenses associated with the exploration, maintenance, development and operation of such Well that Seller is required to bear and pay.

1.2 Other Definitions and Interpretive Matters.

(a) Unless otherwise expressly provided, 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. If the last day of such period is a day other than a Business Day, 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/Schedules/Disclosure Schedules. All Exhibits, Schedules and Disclosure 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. Any capitalized terms used in any Exhibit, Schedule or Disclosure 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 provision of a table of contents, 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. 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.

(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; *provided* that, for the purposes of the representations and warranties set forth herein, with respect to any violation of or non-compliance with, or alleged violation of or non-compliance with, any Legal Requirement, the reference to such Legal Requirement means such Legal Requirement as in effect at the time of such violation or non-compliance or alleged violation or non-compliance

(b) No Strict Construction. Buyer, on the one hand, and Seller, on the other hand, 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 Buyer, on the one hand, and Seller, on the other hand, and no presumption or burden of proof shall arise favoring or disfavoring any 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 draftsman shall be applied against any Person with respect to this Agreement.

ARTICLE 2

PURCHASE AND SALE

2.1 Purchase and Sale.

(a) Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Seller shall sell, transfer, assign, convey and deliver, or cause to be sold, transferred, assigned, conveyed and delivered, to Buyer, and Buyer shall purchase from Seller, the Assets.

(b) The “Assets” shall include all right, title and interest of Seller in, to or under the following:

(i) the Mineral Interests;

(ii) the Royalty Interests;

(iii) all Leases (other than the Excluded Leases and Interests) described on Exhibit C-3 attached hereto, and those leasehold interests located in, under or that may be produced from or attributable to (1) the lands covered by the Leases described on Exhibit C-3 attached hereto, and (2) the Leases and lands included in any units with which the Leases described on Exhibit C-3 or the lands covered thereby may have been pooled, unitized or

communitized (collectively, the “Assigned Leases,” and together with the Mineral Interests and Royalty Interests, the “Assigned Leases and Interests”);

(iv) all of the oil, gas, water, disposal, observation or injection wells located on or traversing the Assigned Leases and Interests, on lands pooled, unitized or communitized with any portion thereof, on lands located within any governmental drilling or spacing unit (if applicable) which includes any portion thereof, or on portions thereof associated with proved undeveloped reserves, whether producing, non-producing, plugged, unplugged, shut-in or abandoned, including those described on Exhibit D (collectively, the “Wells”, and together with the Assigned Leases and Interests, the “Properties”);

(v) all Hydrocarbons, and all proceeds attributable thereto, (1) in storage above a custody transfer point as of the Effective Date, provided that Seller shall receive all applicable upward adjustments to the Base Purchase Price pursuant to Section 8.11(a)(i), (2) produced from or attributable to the Properties and not yet past a custody transfer point on the Effective Date, and (3) produced on and after the Effective Date;

(vi) all equipment, machinery, fixtures and other tangible personal property and improvements located on, primarily used or held for use, or otherwise obtained in connection with the ownership or operation of the 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, telecommunications equipment, field radio telemetry and associated frequencies and licenses, pressure transmitters, central processing equipment and other appurtenances, improvements and facilities (collectively, the “Equipment”);

(vii) all vehicles, office leases, field offices, storage yards, and data and software described on Schedule 2.1(b)(vii) (collectively, the “Miscellaneous Corporate Property”);

(viii) 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 Properties, Miscellaneous Corporate Property or Equipment;

(ix) to the extent transferable pursuant to applicable Legal Requirements, all governmental (whether federal, state or local) permits, licenses, authorizations, franchises, grants, easements, variances, exceptions, consents, certificates, approvals and related instruments or rights of any Governmental Authority or other third party, and any writ, judgment, decree, award, order, injunction or similar order, writ, ruling, directive or other requirement of any Governmental Authority (in each such case whether preliminary or final) required of Seller for the ownership, operation or use of the Properties, Miscellaneous Corporate Property or Equipment (collectively, the “Permits”);

(x) all Contracts (other than the Excluded Contracts), including sales and purchase contracts, operating agreements, exploration agreements, development agreements, seismic licenses, balancing agreements, farmout agreements, service agreements, transportation, processing, treatment and gathering agreements, equipment leases and other

contracts, agreements and instruments, including the Contracts described on Exhibit E attached hereto, in each case, insofar as they relate to any other Asset (collectively, the “Assigned Contracts”);

(xi) all Surface Rights;

(xii) except with respect to the Excluded Assets and the Excluded Liabilities, all claims, refunds, abatement, 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 of Seller to the extent related to the Assets and arising or relating to events occurring from and after the Effective Date or related to the Assumed Liabilities;

(xiii) all information, books, databases, files, records and data (other than the Excluded Records), whether in written or electronic format, relating directly to any Asset and to any Assumed Liabilities (collectively, the “Records”), which Records shall include 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, geological, geophysical and seismic data, files and records (but only to the extent transferable without material restriction (including a material restriction against assignment without prior consent)), 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 Seller or which Seller have the right to obtain (either without the payment of money or delivery of other consideration or unduly burdensome effort or, upon Buyer’s written election, at Buyer’s expense) 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 other Assets; *provided* that if any Records can only be assigned to Buyer with a fee or penalty, Buyer shall bear responsibility for such fee or penalty;

(xiv) all Known Receivables, cash call pre-payments and other refunds due to Seller for royalty overpayments and/or future deductions as royalty offsets associated with any Asset as of the Effective Date and all rights of Seller to audit the records of any Person and to receive refunds or payments of any nature to the extent relating to obligations assumed by Buyer pursuant to this Agreement;

(xv) that certain intellectual property being more particularly described on Schedule 2.1(b)(xv); and

(xvi) all trade credits, accounts receivable, note receivables, take or pay amounts receivable, and other receivables attributable to the other Assets, with respect to any period of time on and after the Effective Date.

2.2 Excluded Assets.

Notwithstanding the foregoing, the Assets shall not include, and there is excepted, reserved and excluded from the transaction contemplated hereby, the following (collectively, the “Excluded Assets”):

- (a) the Purchase Price delivered to Seller pursuant to this Agreement;
- (b) all cash and cash equivalents, including checks, commercial paper, treasury bills, certificates of deposit, bank accounts and other bank deposits as of the Closing Date other than as set forth on Schedule 2.2(b);
- (c) subject to Section 2.1(b)(v), all Hydrocarbons produced from or attributable to the Properties prior to the Effective Date;
- (d) any shares of capital stock or other equity interest of Seller or any of Seller’s Subsidiaries or any securities convertible into, exchangeable or exercisable for shares of capital stock or other equity interest of Seller or any of Seller’s Subsidiaries;
- (e) all minute books, stock ledgers, corporate seals and stock certificates of Seller;
- (f) all Excluded Records;
- (g) all Excluded Leases and Interests;
- (h) all Excluded Contracts;
- (i) all rights to any refunds of Taxes (or other related costs or expenses) that are borne by or the responsibility of Seller;
- (j) subject to Section 8.7(b), all insurance policies and rights to proceeds thereof;
- (k) all Permits and pending applications therefor to the extent related to any other Excluded Asset or the Excluded Liabilities;
- (l) all Intellectual Property;
- (m) all prepayments, good faith and other bid deposits submitted by any third party under the terms of the Bidding Procedures Order;
- (n) all claims, refunds (other than for Taxes, which shall be governed by clause (i)), abatements, variances, allocations, causes of action, claims for relief, choses in action, rights of recovery, audit rights, rights of set-off, rights of indemnity, contribution or recoupment, counter-claims, cross-claims and defenses of Seller, other than those constituting Assets;
- (o) all rights, claims or causes of action by or in the right of Seller against any current or former director or officer of Seller;
- (p) the Avoidance Actions; and
- (q) any rights, claims or causes of action of Seller under this Agreement or any other Transaction Document.

2.3 Assumed Liabilities.

Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Buyer shall execute and deliver to Seller the Assumption Agreement in the form attached hereto as **Exhibit F** (the "Assumption Agreement") pursuant to which Buyer shall assume and agree to discharge, when due (in accordance with their respective terms and subject to the respective conditions thereof), the following Liabilities, excluding the Excluded Liabilities (collectively, the "Assumed Liabilities"):

(a) Assigned Contracts. All of Seller's Liabilities under the Assigned Contracts, to the extent such Liabilities arise at or after the Effective Date, except such Liabilities that are satisfied or discharged by the payment of Cure Costs (including, for the avoidance of doubt, any Assigned Contracts for which the Cure Costs were set as \$0 and approved as such by virtue of the Sale Order or such other order authorizing the assumption and assignment of such Assigned Contracts).

(b) Properties. All of Seller's plugging and abandonment obligations relating to the Properties and all other Liabilities under Environmental Laws, whether arising prior to, at or after the Effective Date, and all of Seller's other Liabilities relating to the Properties to the extent such Liabilities arise at or after the Effective Date.

(c) Buyer Taxes. All Asset Taxes with respect to the Assets, except Asset Taxes that are the responsibility of the Seller pursuant to Section 8.1(b).

(d) Other Assets. To the extent not already described in Section 2.3(a) through Section 2.3(c) above, all Liabilities arising from, related to or associated with the Assets, to the extent such Liabilities arise at or after the Effective Date.

The assumption by Buyer of the Assumed Liabilities shall not, in any way, enlarge the rights of any third parties relating thereto.

2.4 Excluded Liabilities.

Notwithstanding any provision in this Agreement to the contrary, Buyer shall not assume and shall not be obligated to assume or be obliged to pay, perform or otherwise discharge any Liability of Seller, and Seller shall be solely and exclusively liable with respect to all Liabilities of Seller, other than the Assumed Liabilities (such Liabilities, collectively, the "Excluded Liabilities"). For purposes of clarity, and without limitation of the generality of the foregoing, the Excluded Liabilities shall include, without limitation, each of the following Liabilities of Seller:

- (a) all indebtedness for borrowed money of Seller;
- (b) all guarantees of third party obligations by Seller and reimbursement obligations to guarantors of Seller's obligations or under letters of credit;
- (c) all accrued expenses and accounts payables;
- (d) Tax liabilities of Seller (including Asset Taxes with respect to the Assets, other than Asset Taxes that are the responsibility of Buyer pursuant to Section 8.1(b)), including, for the avoidance of doubt, any income, franchise or similar Taxes imposed on Seller or any of its Affiliates;
- (e) those Actions and Proceedings set forth on Disclosure Schedule 5.14;

- (f) all Liabilities of Seller to any owner or former owner of capital stock or warrants, or holder of indebtedness for borrowed money;
- (g) all Cure Costs;
- (h) any claims to the extent related to the Excluded Assets; and
- (i) obligations under any futures contracts, options on futures, swap agreements or forward sale agreements entered into by Seller.

2.5 Cure Costs.

On or prior to the Closing, Seller shall pay, pursuant to Section 365 of the Bankruptcy Code and the Sale Order, any and all cure and reinstatement costs or expenses relating to the assignment and assumption of the Assigned Contracts and Assigned Leases and Interests (the "Cure Costs") to which Seller is a party and which are included in the Assets.

2.6 Assignment of Assets Subject to Consent Requirements.

If prior to the Closing Date any consent to assignment applicable to the transactions contemplated hereby (other than governmental consents or approvals customarily obtained post-Closing) (a) has not been obtained, waived or satisfied, or (b) is no longer applicable to the transactions contemplated hereby by reason of any Bankruptcy Court Order, and further, failure to obtain such third party consent or waiver may result in termination of an Asset, including causing such Asset, or the Assignment or Deed in regards thereto, to be void or voidable (each such consent, a "Hard Consent"), the Properties affected by such third party Hard Consent shall be held back from the Assets conveyed at Closing with a reduction to the Base Purchase Price equal to the Allocated Value of such Assets. Any Property so held back at the Closing will be conveyed to Buyer within ten (10) Business Days after such Hard Consent has been obtained, waived or otherwise satisfied. At such subsequent closing, Seller shall contribute, assign, transfer and convey to Buyer, and Buyer shall pay for, acquire and accept from Seller, such Property pursuant to the terms of this Agreement. Except for Hard Consents, if any consents to the assignment of any Asset are not obtained prior to Closing (after giving effect to the Sale Order and the Bankruptcy Code), then with respect to each affected Asset, the affected Assets shall nevertheless be sold and conveyed to Buyer at the Closing and Buyer shall pay for the affected Asset(s) at Closing in accordance with this Agreement as though the Consent had been obtained. In the case of licenses, certificates, approvals, authorizations, Leases, Contracts and other commitments included in the Assets (i) that cannot be transferred or assigned without the Hard Consent of third parties, which Hard Consent has not been obtained prior to the Closing (after giving effect to the Sale Order and the Bankruptcy Code), Seller shall, subject to any approval of the Bankruptcy Court that may be required, reasonably cooperate with Buyer in attempting to obtain such Hard Consent, or (ii) that are otherwise not transferable or assignable (after giving effect to the Sale Order and the Bankruptcy Code), Seller shall, following the Closing, subject to any approval of the Bankruptcy Court that may be required, reasonably cooperate with Buyer to provide to Buyer the benefits thereof in some other manner (including the exercise of the rights of Seller thereunder); *provided* that nothing in this Section 2.6 shall (1) require Seller to make any expenditure or incur any obligation on its own or on behalf of Buyer or (2) prohibit Seller from ceasing operations or winding up its affairs following the Closing.

2.7 Further Assurances.

The Parties agree to (a) furnish upon request to each other such further information, (b) execute, acknowledge and deliver to each other such other documents and (c) do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement and the Transaction Documents; *provided* that nothing in this Section 2.7 shall prohibit Seller from ceasing operations or winding up its affairs following the Closing.

ARTICLE 3

PURCHASE PRICE

3.1 Purchase Price.

The purchase price for the purchase, sale, assignment and conveyance of Seller's right, title and interest in, to and under the Assets shall consist of the following (collectively, the "Base Purchase Price"):

- (a) cash in an amount equal to Fifty-One Million Seven Hundred Thousand Dollars (\$51,700,000); and
- (b) the assumption of the Assumed Liabilities.

Notwithstanding the foregoing, the Base Purchase Price shall be adjusted as provided in Sections 8.10, 8.11 and 8.12 hereof (as adjusted, the "Purchase Price"). The cash components of the Purchase Price shall be delivered by Buyer as set forth in Section 4.2.

3.2 Deposit.

Within three (3) Business Days after the Parties' execution of this Agreement, Buyer shall pay to JPMorgan Chase Bank, N.A. ("Escrow Agent"), pursuant to that certain escrow agreement by and among Seller, Buyer and Escrow Agent, a deposit in the amount of FIVE MILLION ONE HUNDRED SEVENTY THOUSAND DOLLARS (\$5,170,000) (the "Deposit"), such amount representing ten percent (10%) of the Base Purchase Price. At Closing, the Parties shall cause the Escrow Agent to release the Deposit to Seller, and the Deposit shall be credited against the amount required to be paid by Buyer to Seller at Closing. If this Agreement is terminated by Seller prior to Closing pursuant to Section 11.1(c)(i), then the Parties shall cause the Escrow Agent to release the Deposit to Seller within two (2) Business Days of such termination, and such amount shall constitute liquidated damages (and not a penalty), as Seller's sole and exclusive remedy for such termination. If this Agreement is terminated prior to Closing for any other reason, then the Parties shall cause the Escrow Agent to release the Deposit to Buyer within two (2) Business Days of such termination.

ARTICLE 4

CLOSING

4.1 Closing Date.

Upon the terms and subject to the conditions hereof, the closing of the sale of the Assets and the assumption of the Assumed Liabilities contemplated hereby (the "Closing") shall

take place at the office of Seller at Samson Plaza, Two West Second Street, Tulsa, Oklahoma 74103 (or at such other location as the Parties may mutually agree), no later than three (3) Business Days following the date on which the conditions set forth in Article 9 and Article 10 have been satisfied or (if permissible) waived (other than the conditions which by their nature are to be satisfied at the Closing, but subject to the satisfaction or (if permissible) waiver of such conditions). The date and time at which the Closing actually occurs is hereinafter referred to as the "Closing Date."

4.2 Payment on the Closing Date.

Subject to satisfaction or (if permissible) waiver of the conditions set forth in Article 9 and Article 10, at the Closing, (a) Buyer shall pay (or cause to be paid) the cash components of the Purchase Price (less the Deposit) by wire transfer of immediately available funds to an account specified in writing by Seller prior to the Closing Date, and (b) as set forth in Section 3.2, the Parties shall cause the Escrow Agent to release the Deposit to Seller.

4.3 Buyer's Deliveries.

At the Closing, Buyer shall deliver or cause to be delivered to Seller (or such other Persons where so designated):

(a) the cash consideration referenced in Section 3.1(a) to Seller in accordance with Section 4.2;

(b) the Assumption Agreement, duly executed by Buyer;

(c) each other Transaction Document to which Buyer is a party, duly executed (and acknowledged, where applicable) by Buyer, including the Assignment, and letters-in-lieu of transfer orders;

(d) the certificates of Buyer to be received by Seller pursuant to Sections 10.1 and 10.3, duly executed by Buyer;

(e) a counterpart of the Preliminary Settlement Statement;

(f) evidence (including evidence of satisfaction of all applicable bonding or insurance requirements) as Seller may reasonably request demonstrating that Buyer is qualified with the applicable Governmental Authorities and pursuant to any applicable operating agreement to succeed Seller as the owner and, where applicable, the operator of the Assets; and

(g) such other assignments and other good and sufficient instruments of assumption and transfer, in form reasonably satisfactory to Seller, as Seller may reasonably request to transfer and assign the Assumed Liabilities to Buyer, duly executed by Buyer.

4.4 Seller's Deliveries.

At the Closing, Seller shall deliver to Buyer:

(a) the Assignment, the Deed and each other Transaction Document to which Seller is a party (including letters-in-lieu of transfer orders and change of operator forms), duly executed (and acknowledged, where applicable) by Seller;

(b) the Assumption Agreement, duly executed by Seller;

(c) a certified copy of the Sale Order;

(d) the certificates of Seller to be received by Buyer pursuant to Sections 9.1 and 9.2, duly executed by Seller;

(e) a non-foreign affidavit dated as of the Closing Date, sworn under penalty of perjury and in form and substance required under the Treasury Regulations issued pursuant to Code §1445, stating that each Seller (or if Seller is disregarded for federal income Tax purposes, its regarded owner) is not a “foreign person” as defined therein;

(f) a counterpart of the Preliminary Settlement Statement executed by Seller; and

(g) such other bills of sale, deeds, endorsements, assignments and other good and sufficient instruments of conveyance and transfer, in form reasonably satisfactory to Buyer, as Buyer may reasonably request to vest in Buyer all the right, title and interest of Seller in, to or under any or all the Assets, duly executed by Seller.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF SELLER

Except as disclosed in the Disclosure Schedules attached hereto, each of Samson, Geodyne, and SLS, only as to itself and its applicable Assets, represents and warrants the following to Buyer:

5.1 Organization and Good Standing.

Seller is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Seller has the requisite corporate power and authority to own or lease and to operate and use its properties and to carry on its business as now conducted. Seller is duly qualified or licensed to do business and is in good standing in each jurisdiction where the character of its business or the nature of its properties makes such qualification or licensing necessary.

5.2 Authority; Validity; Governmental Authority Consents.

Seller has, subject to requisite Bankruptcy Court approval, the requisite power and authority necessary to enter into and perform its obligations under this Agreement and the other Transaction Documents to which Seller is a party and to consummate the transactions contemplated hereby and thereby, and, subject to requisite Bankruptcy Court approval, the execution, delivery and performance of this Agreement and such other Transaction Documents by Seller and the consummation by Seller of the transactions contemplated herein and therein have been duly and validly authorized by all requisite corporate action. This Agreement has been duly and validly executed and delivered by Seller and each other Transaction Document required to be executed and delivered by Seller at the Closing will be duly and validly executed and delivered by Seller at the Closing. Subject to requisite Bankruptcy Court approval, this Agreement and the other Transaction Documents constitute, with respect to Seller, the legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Legal Requirements affecting the enforcement of creditors’ rights generally and by general principles of equity, regardless of whether such principles are considered in a proceeding at law or in equity. Subject to requisite Bankruptcy Court approval, except for (a) entry of the Sale Order, (b) notices,

filings and consents required in connection with the Bankruptcy Case, (c) any applicable notices, filing, consents or approvals under any applicable antitrust, competition or trade regulation Legal Requirements and (d) the notices, filings and consents set forth on Disclosure Schedule 5.2, Seller is not required to give any notice to, make any filing with or obtain any consent from any Governmental Authority in connection with the execution and delivery of this Agreement and the other Transaction Documents or the consummation or performance of any of the transactions contemplated hereby and thereby.

5.3 No Conflict.

When the consents and other actions described in Section 5.2, including requisite Bankruptcy Court approval, have been obtained and taken, the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions provided for herein and therein will not result in the breach of any of the terms and provisions of, or constitute a default under, or conflict with, or cause any acceleration of any obligation of Seller under (a) any agreement, indenture, or other instrument to which Seller is bound, (b) the certificate of incorporation, bylaws or other governing documents of Seller, (c) any Order or (d) any Legal Requirement.

5.4 Material Assigned Contracts.

(a) Disclosure Schedule 5.4 lists all Material Assigned Contracts in effect as of the Execution Date, to which Seller is a party or by which its interests in the Assets are bound, (b) to Seller's Knowledge, all Material Assigned Contracts are in full force and effect, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Legal Requirements relating to creditors' rights generally and by general principles of equity, regardless of whether such principles are considered in a proceeding at law or in equity, and (c) except for the Bankruptcy Case, no default or breach (or event that, with notice or lapse of time, or both, would become a default or breach) of any such Material Assigned Contracts has occurred or is continuing on the part of Seller or, to Seller's Knowledge, any other Person.

5.5 Permits.

As of the Execution Date, (a) Seller has not received written notice of default under any Permit and (b) to Seller's Knowledge, no violations exist in respect of such Permits, except as would not have a Material Adverse Effect.

5.6 Wells; Plug and Abandon Notice.

Except as set forth on Disclosure Schedule 5.6, there are no Wells in respect of which Seller has received an order from any Governmental Authority requiring that such Wells be plugged and abandoned.

5.7 Imbalances.

All Imbalances relating to the Assets are reflected in Disclosure Schedule 5.7 as of the date stated therein.

5.8 AFEs.

Disclosure Schedule 5.8 contains a list, true and correct as of the date set forth therein, of all authorities for expenditures (collectively, "AFEs") for capital expenditures with

respect to the Assets in excess of One Hundred Thousand Dollars (\$100,000), net to Seller's interest, that have been proposed by any Person having authority to do so (including internal AFEs of Seller not delivered to third parties).

5.9 Hedging.

There are no futures, options, swaps or other derivatives with respect to the sale of Hydrocarbons from the Assets that are or will be binding on Buyer or the Assets at any time after the Closing Date.

5.10 Consents; Preferential Purchase Rights.

To Seller's Knowledge, Disclosure Schedule 5.10 lists all Hard Consents and Preferential Purchase Rights to which any Assets are subject, which would be triggered by this Agreement and to which a notice would be required under the terms thereof due to the Parties entering into this Agreement.

5.11 Suspense Funds.

To Seller's Knowledge, Disclosure Schedule 5.11 sets forth a list, true and correct as of the date set forth therein, of all Suspense Funds and the name or names of the parties to whom such funds are owed.

5.12 Intellectual Property.

To Seller's Knowledge, except as set forth on Schedule 2.1(b)(xv) or Disclosure Schedule 5.12, Seller owns no Intellectual Property related to or used in connection with the ownership or operation of the Assets that is material to Seller's business, taken as a whole.

5.13 Taxes.

Except as set forth on Disclosure Schedule 5.13, Seller has filed all material Tax Returns required to be filed and each such Tax Return is true, correct and complete in all material respects, and Seller has timely paid all material Taxes that have become due and payable (whether or not shown on any such Tax Return as owing). Except as set forth on Disclosure Schedule 5.13, no examination of any such Tax Return of Seller is currently in progress by any Governmental Authority. There are no Encumbrances currently existing, pending or, to Seller's Knowledge, threatened with respect to any Assets attributable to any unpaid Taxes, other than current period Taxes not yet due and payable. Seller does not have in force any waiver of any statute of limitations in respect of Taxes or any extension of time with respect to a Tax assessment or deficiency relating to the Assets. No extension of time within which to file any Tax Return with respect to the Assets is currently in effect. None of the Assets is held by or is subject to any contractual arrangement between any Seller, on the one hand, and any other person, on the other hand, whether owning undivided interests therein or otherwise, that is classified as a partnership for United States federal tax purposes and no transfer of any part of the Assets pursuant to this Agreement will be treated as a transfer of an interest or interests in any partnership for federal income tax purposes.

5.14 Legal Proceedings.

Except for the Bankruptcy Case and any adversary proceedings or contested motions commenced in connection therewith, or as set forth on Disclosure Schedule 5.14, there is no Proceeding or Order pending, outstanding or, to Seller's Knowledge, threatened against

Seller that relates to the Assets or Seller's interest therein or seeks to restrain, impair, delay or prohibit or otherwise challenge the consummation, legality or validity of the transactions contemplated hereby or that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.15 No Take-or-Pay Obligations.

Except as set forth on Disclosure Schedule 5.15, to Seller's Knowledge, Seller is not obligated by virtue of any take-or-pay payment, advance payment or other similar payment (other than gas balancing arrangements) to deliver Hydrocarbons, or proceeds from the sale thereof, attributable to the Assets at some future time without receiving payment therefor at or after the time of delivery.

5.16 Payments.

Except as set forth on Disclosure Schedule 5.16, all delay rentals, royalties, shut-in royalties, overriding royalties, compensatory royalties and other payments due with respect to the Leases, in each case, to the extent attributable to the period of time prior to the Execution Date, have been properly and fully paid by Seller or, to Seller's Knowledge, the applicable Operator.

5.17 Brokers or Finders.

Seller has not incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payments in connection with this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby for which Buyer is or will become liable.

5.18 Compliance with Laws.

(a) Seller's ownership and the operation of the Assets is in material compliance with all applicable Legal Requirements, and (b) all necessary permits, licenses, approvals, consents, certificates, and other authorizations with respect to the ownership and operation of the Assets have been obtained and maintained in full force and effect.

5.19 Maintenance of Records.

The Records have been maintained in the ordinary course of business, consistent with Seller's past practice, and Seller has not intentionally omitted any material information from the Records.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

6.1 Organization and Good Standing.

Buyer is a limited liability company, duly organized, validly existing and in good standing under the laws of the state of its formation. Buyer has the requisite power and authority to own or lease and to operate and use its properties and to carry on its business as now

conducted. Buyer is duly qualified or licensed to do business in the State(s) where the Assets are located.

6.2 Authority; Validity; Consents.

Buyer has the requisite power and authority necessary to enter into and perform its obligations under this Agreement and the other Transaction Documents to which it is a party and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance of this Agreement by Buyer and the consummation by Buyer of the transactions contemplated herein have been duly and validly authorized by all requisite limited liability company or corporate actions in respect thereof. This Agreement has been duly and validly executed and delivered by Buyer and each other Transaction Document to which Buyer is a Party will be duly and validly executed and delivered by Buyer, as applicable, at the Closing. This Agreement and the other Transaction Documents to which Buyer is a party constitute the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms, except in each case as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar Legal Requirements affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such principles are considered in a proceeding at law or in equity. Buyer is not or will not be required to give any notice to, make any filing with, or obtain any consent or approval from any Person in connection with the execution and delivery of this Agreement and the other Transaction Documents to which it is a Party or the consummation or performance of any of the transactions contemplated hereby or thereby.

6.3 No Conflict.

When the consents and other actions described in Section 6.2 have been obtained and taken, the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions provided for herein and therein will not result in the breach of any of the terms and provisions of, or constitute a default under, or conflict with, or cause any acceleration of any obligation of Buyer under (a) any agreement, indenture or other instrument to which it is bound, (b) any organizational documents of Buyer, as applicable, (c) any Order or (d) any Legal Requirement.

6.4 Availability of Funds.

As of the Closing, Buyer will have sufficient cash in immediately available funds (without giving effect to any unfunded financing, regardless of whether any such financing is committed) to pay the Purchase Price, all costs, fees and expenses to be paid by Buyer that are necessary to consummate the transactions contemplated by this Agreement and the other Transaction Documents, and assume the Assumed Liabilities. Buyer's ability to consummate the transaction contemplated hereby is not contingent upon its ability to secure financing or to complete any public or private placement of securities prior to or upon Closing.

6.5 Litigation.

There are no Proceedings or Orders pending or, to the Knowledge of Buyer, threatened against Buyer, that seek to restrain, impair, delay or prohibit or otherwise challenge the consummation, legality or validity of the transactions contemplated hereby or that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

6.6 Bankruptcy.

There are no bankruptcy, reorganization or arrangement proceedings pending, being contemplated by, or to the Knowledge of Buyer, threatened against Buyer or any of its Affiliates.

6.7 Brokers or Finders.

Neither Buyer nor any Person acting on behalf of Buyer has paid or become obligated to pay any fee or commission to any broker, finder, investment banker, agent or intermediary for or on account of the transactions contemplated by this Agreement for which Seller is or will become liable.

6.8 Knowledge and Experience.

Buyer (a) is engaged in the business of exploring for and producing Hydrocarbons as an ongoing business and (b) is purchasing the Assets for its own account for investment purposes and not with the intent to resell the Assets in violation of any federal or state securities laws. Buyer is an experienced and knowledgeable investor in oil and gas properties, is knowledgeable with respect to the tax ramifications associated therewith and herewith, has the financial and business expertise to fully evaluate the merits and risks of the transaction covered by this Agreement and has relied solely upon the basis of its own independent investigation of the Assets for all purposes (including the geologic and geophysical characteristics of the Assets, the estimated Hydrocarbon reserves recoverable therefrom, and the price and expense assumptions applicable thereto). In acquiring the Assets, Buyer is acting in the conduct of its own business and not under any specific contractual commitment to any third party, or any specific nominee agreement with any third party, to transfer to, or to hold title on behalf of, such third party, with respect to all or any part of the Assets. Buyer acknowledges that it has had the opportunity to seek the advice of persons it deemed appropriate concerning the consequences of the provisions of this Agreement and hereby waives any and all rights to claim that it is an unsophisticated investor in oil and gas properties.

ARTICLE 7

ACTIONS PRIOR TO THE CLOSING DATE

7.1 Access and Reports.

(a) Subject to applicable Legal Requirements, upon receipt of written notice from Buyer of any such activities no less than two (2) Business Days in advance, Seller shall (and shall cause its Subsidiaries to) provide Buyer's officers and other authorized Representatives reasonable access, during normal business hours until Closing, to the Assets and its employees, customers, suppliers, properties, books, Contracts and Records, and, during such period, Seller shall use commercially reasonable efforts to furnish promptly to Buyer all information concerning the Assets as may reasonably be requested and Buyer shall have the right to copy, at Buyer's expense, any such records or materials; *provided, however*, such access shall not interfere with Seller's ordinary conduct of business or the operation of the Assets, and at all times during such access, Buyer's authorized Representatives shall be accompanied by at least one (1) Representative of Seller; *and provided further, however*, that if Closing does not occur for any reason, then Buyer shall promptly destroy all information and copies in Buyer's possession pursuant to this sentence. All requests for information made pursuant to this Section

7.1 shall be submitted in accordance with Section 13.3 or as mutually agreed between the Parties. All such information shall be governed by the terms of the Non-Disclosure Agreement. No investigation pursuant to this Section 7.1 or by Buyer or its Representatives at any time prior to or following the Execution Date shall be deemed to modify any representation or warranty made by Seller herein.

(b) This Section 7.1 shall not require Seller to permit any access to, or to disclose (i) any information that, in the reasonable, good faith judgment (after consultation with counsel, which may be in-house counsel) of Seller, is reasonably likely to result in any violation of any Legal Requirement or any Contract to which Seller is a party or cause any privilege (including attorney-client privilege) that Seller would be entitled to assert to be undermined with respect to such information and such undermining of such privilege could, in Seller's good faith judgment (after consultation with counsel, which may be in-house counsel), adversely affect in any material respect Seller's position in any pending or, what Seller believes in good faith (after consultation with counsel, which may be in-house counsel) could be, future litigation or (ii) if Seller, on the one hand, and Buyer or any of its Affiliates, on the other hand, are adverse parties in a litigation, any information that is reasonably pertinent thereto; *provided* that, in the case of clause (i), the Parties shall cooperate in seeking to find a way to allow disclosure of such information to the extent doing so (1) would not (in the good faith belief of Seller (after consultation with counsel, which may be in-house counsel)) be reasonably likely to result in the violation of any such Legal Requirement or Contract or be reasonably likely to cause such privilege to be undermined with respect to such information or (2) could reasonably (in the good faith belief of Seller (after consultation with counsel, which may be in-house counsel)) be managed through the use of customary "clean-room" arrangements pursuant to which non-employee Representatives of Buyer could be provided access to such information. To the extent Seller withholds any such information or materials due to the foregoing clause (i), Seller shall provide notice of such withholding to Buyer along with reasonable detail as to the nature and type of information or materials withheld.

(c) The information provided pursuant to this Section 7.1 shall be used solely for the purpose of the transaction contemplated by this Agreement, and such information shall be kept confidential by Buyer in accordance with, and Buyer shall otherwise abide by and be subject to the terms and conditions of, the Non-Disclosure Agreement.

(d) BUYER SHALL DEFEND, RELEASE, INDEMNIFY AND HOLD HARMLESS EACH SELLER PARTY FROM AND AGAINST ANY AND ALL LIABILITIES THAT ANY BUYER PARTY MAY ASSERT AGAINST ANY SELLER PARTY, BASED UPON INJURY TO PERSON, INCLUDING DEATH, OR TO PROPERTY, ARISING IN ANY MANNER WHATSOEVER FROM ANY INSPECTION BY ANY BUYER PARTY OF THE ASSETS PRIOR TO THE CLOSING DATE, **WHETHER OR NOT BASED UPON STRICT LIABILITY OR CAUSED BY THE SOLE OR CONCURRENT NEGLIGENCE (WHETHER ACTIVE OR PASSIVE) OF ANY SELLER PARTY, UNLESS SUCH INJURY WAS OCCASIONED SOLELY BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY SELLER PARTY.**

7.2 Operations Prior to the Closing Date.

Each of Samson, Geodyne, and SLS, only as to itself and its applicable Assets, covenants and agrees that, except (v) as expressly contemplated by this Agreement, (w) as

disclosed in Schedule 7.2, (x) with the prior written consent of Buyer (which consent shall not be unreasonably withheld, conditioned or delayed), (y) as otherwise required by Legal Requirements with prior written notice to Buyer, after the Execution Date and prior to the Closing Date, and (z) as ordered by the Bankruptcy Court or limited by restrictions or limitations under the Bankruptcy Code on chapter 11 debtors:

(a) Seller shall:

(i) use commercially reasonable efforts, taking into account Seller's status as debtor in possession, to maintain and operate the Assets operated by Seller as a reasonably prudent operator or cause such Assets to be operated as a reasonably prudent operator in the ordinary course of business;

(ii) pay or cause to be paid all bonuses and rentals, royalties, overriding royalties, shut-in royalties, and minimum royalties and development and operating expenses, and other payments incurred with respect to the Assets operated by Seller except (A) royalties held in suspense as a result of title issues and that do not give any third party a right to cancel an interest in any Assets operated by Seller, and (B) expenses or royalties being contested in good faith, unless the nonpayment of such contested expenses or royalties could result in the termination of an Assigned Lease and Interest, in which case Seller will notify Buyer and obtain Buyer's approval prior to withholding such payment;

(iii) maintain books, accounts and records relating to the Assets in accordance with past custom and practice;

(iv) maintain the personal property comprising part of the Assets operated by Seller in at least as good a condition as it is on the date hereof, subject to ordinary wear and tear;

(v) maintain insurance coverage on the Assets in the amounts and of the types presently in force and not make any election to be excluded from any coverage provided by an operator for the joint account pursuant to a joint operating agreement; and

(vi) maintain all material governmental permits and approvals affecting the Assets.

(b) Seller shall not:

(i) abandon any Asset (except any abandonment of Leases to the extent any such Leases terminate pursuant to their terms);

(ii) commence, propose, or agree to participate in any single operation with respect to the Wells or Assigned Leases and Interests with an anticipated cost in excess of One Hundred Thousand Dollars (\$100,000) net to the interest of Seller, except for emergency operations taken in the face of risk to life, injury, property or the environment, operations scheduled under the AFEs, or operations required by any Governmental Authority (including with respect to plugging and abandonment obligations);

(iii) terminate, cancel, or materially amend or modify any Assigned Contract or Assigned Lease and Interest;

(iv) sell, lease, encumber, or otherwise dispose of all or any portion of any Assets, except sales of Hydrocarbons in the ordinary course of business or grant

or create any preferential right to purchase, right of first refusal, preferential purchase right, right of first negotiation, option, or transfer restriction or similar right, obligation, or requirement, with respect to the Assets; or

(v) enter into any agreement or commitment to take any action prohibited by this Section 7.2(b).

7.3 Limitation on Covenants.

If and to the extent that the covenants herein are made with respect to the operation of the Assets for which Seller is not the operator, Seller shall not be in breach of such covenant as a result of an action or inaction by any third party operator so long as Seller is acting in a commercially reasonable manner to diligently exercise its rights under the applicable joint operating agreement or under applicable Law to cause the operator to comply with such covenant.

7.4 Reasonable Best Efforts.

From the Execution Date until Closing:

(a) Seller, on the one hand, and Buyer, on the other hand, shall use reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated hereby, including using reasonable best efforts to accomplish the following: (i) the taking of all reasonable acts necessary to cause the conditions precedent set forth in Article 9 and Article 10 to be satisfied, (ii) the obtaining, at the earliest practicable date, of all necessary Governmental Authorizations and the making of all necessary registrations, declarations and filings (including registrations, declarations and filings with Governmental Authorities, if any) and the taking of all reasonable steps as may be necessary to avoid any Proceeding by any Governmental Authority, and (iii) the execution or delivery of any additional instruments necessary to consummate the transactions contemplated hereby and to fully carry out the purposes of this Agreement. Additionally, with regard to each Well operated by a party other than Seller, Buyer shall, as soon as reasonably practicable after the Closing Date, deliver to the applicable operator of such Well a copy of the recorded Assignment evidencing the conveyance of Seller's interest in such Well to Buyer, as well as any other documentation reasonably requested by such operator to evidence such conveyance.

(b) Seller, on the one hand, and Buyer, on the other hand, (i) shall promptly inform each other of any communication from any Governmental Authority concerning this Agreement, the transactions contemplated hereby, and any filing, notification or request for approval and (ii) shall permit the other to review in advance any proposed written or material oral communication or information submitted to any such Governmental Authority in response thereto. In addition, neither of Parties shall agree to participate in any meeting with any Governmental Authority in respect of any filings, investigation or other inquiry with respect to this Agreement or the transactions contemplated hereby, unless such Party consults with the other Party in advance and, to the extent permitted by any such Governmental Authority, gives the other Party the opportunity to attend and participate thereat, in each case to the maximum extent practicable. Subject to any restrictions under applicable Legal Requirements, each of Buyer, on the one hand, and Seller, on the other hand, shall furnish the other with copies of all correspondence, filings and communications (and memoranda setting forth the substance thereof)

between it and its Affiliates and its respective Representatives on the one hand, and the Governmental Authority or members of its staff on the other hand, with respect to this Agreement, the transactions contemplated hereby (excluding documents and communications which are subject to preexisting non-disclosure agreements or to the attorney-client privilege or work product doctrine) or any such filing, notification or request for approval. Each Party shall also furnish the other Party with such necessary information and assistance as such other Party and its Affiliates may reasonably request in connection with their preparation of necessary filings, registration or submissions of information to the Governmental Authority in connection with this Agreement, the transactions contemplated hereby and any such filing, notification or request for approval.

7.5 Bankruptcy Court Approval.

(a) Seller and Buyer acknowledge that this Agreement and the sale of the Assets and the assumption and assignment of the Assigned Contracts and Assigned Leases and Interests are subject to Bankruptcy Court approval. Seller and Buyer acknowledge that (i) to obtain such approval, Seller must demonstrate that it has taken reasonable steps to obtain the highest and otherwise best offer possible for the Assets, and that such demonstration shall include giving notice of the transaction contemplated by this Agreement to creditors and other interested parties as ordered by the Bankruptcy Court, and, if necessary, conducting the Auction, and (ii) Buyer must provide adequate assurance of future performance as required under the Bankruptcy Code with respect to each Assigned Contract and Assigned Lease and Interest.

(b) In the event an appeal is taken or a stay pending appeal is requested, from either the Bidding Procedures Order or the Sale Order, Seller shall promptly notify Buyer of such appeal or stay request and shall provide to Buyer promptly a copy of the related notice of appeal or Order of stay. Seller shall also provide Buyer with written notice of any motion or application filed in connection with any appeal from either of such Orders.

(c) From and after the Execution Date and prior to the Closing or the termination of this Agreement in accordance with Section 11.1, Seller shall not take any action which is intended to (or is reasonably likely to), or fail to take any action the intent (or the reasonably likely result) of which failure to act is to, result in the reversal, voiding, modification or staying of the Bidding Procedures Order or this Agreement. If Buyer is the Successful Bidder at the Auction, Seller shall not take any action which is intended to (or is reasonably likely to), or fail to take any action the intent (or the reasonably likely result) of which failure to act is to, result in the reversal, voiding, modification or staying of the Sale Order or this Agreement.

7.6 Updates and Amendments of Exhibits, Schedules and Disclosure Schedules.

(a) Until the Auction (if any), Seller shall have the right to amend, modify and/or supplement Exhibit C-1, Exhibit C-2, Exhibit C-3, Exhibit C-4, Exhibit E, Schedule 2.2(g) and Schedule 2.2(h), in each case, as applicable, in order to reflect (i) any new Contracts or Leases taken by Seller or (ii) the modification or amendment of any Contracts or Leases described on any such Exhibit or Schedule.

(b) Until the Auction (if any), Seller shall have the right (but not the obligation) to amend, modify and/or supplement its Disclosure Schedules with respect to any matters discovered or occurring subsequent to the Execution Date; provided, however, that for

all purposes of this Agreement, including for purposes of determining whether any conditions to Closing have been satisfied, Seller's Disclosure Schedules shall be deemed to exclude all such information contained in any amendment, modification or supplement unless and until Closing occurs, then all matters disclosed pursuant to such amendment, modification or supplement at or prior to the Auction shall be deemed to be included in such Disclosure Schedules.

(c) Notwithstanding anything herein to the contrary, this Agreement may be terminated by Buyer at any time prior to Closing in the event Seller makes any material amendment, modification or supplement to any Exhibit or Schedule pursuant to Section 7.6(a) or Section 7.6(b), unless Seller and Buyer reach mutual agreement as to any agreeable amendment or modification, if any, to the terms of this Agreement in lieu of such termination.

7.7 Bidding Procedures.

The bidding procedures to be employed with respect to this Agreement shall be those reflected in the Bidding Procedures Order. Buyer agrees and acknowledges that Seller and its Representatives and Affiliates are and may continue soliciting inquiries, proposals or offers from third parties (the "Potential Bidders") for the Assets in connection with any alternative transaction pursuant to the terms of the Bidding Procedures Order.

7.8 Access to Buyer Documentation.

On or before five (5) Business Days prior to the Auction, Buyer shall have delivered to Seller true and complete, fully-executed copies of (i) Buyer's limited liability agreement, and (ii) any agreements with a third Person relating to, directly or indirectly, the Auction and/or Buyer's (or Buyer's Representatives') participation therein. All such information obtained or reviewed by Seller shall be maintained confidential by Seller and shall be governed by the terms of the Non-Disclosure Agreement.

ARTICLE 8

ADDITIONAL AGREEMENTS

8.1 Taxes.

(a) Any transfer, documentary, sales, use, stamp, registration and other such Taxes, and all conveyance fees, recording charges and other fees and charges (including any penalties and interest) incurred in connection with the consummation of the transactions contemplated by this Agreement ("Transfer Taxes"), and that are not eliminated through the application of Section 1146(a) of the Bankruptcy Code, shall be borne by Buyer. Buyer will, at its own expense, file all necessary Tax Returns and other documentation with respect to all Transfer Taxes, and, if required by applicable law, the Parties will, and will cause their Affiliates to, join in the execution of any such Tax Returns and other documentation.

(b) Seller shall retain responsibility for, and shall bear and pay, all ad valorem, property, excise, severance, production or similar Taxes based upon operation or ownership of the Assets or the production of Hydrocarbons or the receipt of proceeds therefrom (but excluding, for the avoidance of doubt, income taxes and franchise taxes) (collectively, the "Asset Taxes") assessed with respect to the Assets for (i) any period ending on or prior to the Effective Date and (ii) the portion of any Straddle Period ending on or prior to the Effective Date. For purposes of allocation between the Parties of Asset Taxes assessed with respect to the Assets that are payable with respect to any tax periods beginning before and ending after the Effective

Date (“Straddle Periods”), the portion of any such taxes that are attributable to the portion of the Straddle Period that ends on or prior to the Effective Date shall (1) in the case of Asset Taxes that are attributable to the severance or production of Hydrocarbons, be allocated to the period ending on or before the Effective Date (which shall be Seller’s responsibility) and the period from and after the Effective Date (which shall be Buyer’s responsibility) based on when the severance or production giving rise to such Asset Taxes occurred; (2) in the case of such Asset Taxes that are based upon or related to income or receipts (other than those described in clause (1)) be allocated based on revenues from sales occurring on or before the Effective Date (which shall be Seller’s responsibility) and from and after the Effective Date (which shall be Buyer’s responsibility); and (3) in the case of other Asset Taxes, be allocated pro rata per day between the period on or prior to the Effective Date (which shall be Seller’s responsibility) and the period after the Effective Date (which shall be Buyer’s responsibility). For purposes of clause (2) of the preceding sentence, any exemption, deduction, credit or other item that is calculated on an annual basis shall be allocated pro rata per day between the period ending on or prior to the Effective Date and the period beginning at the Effective Date. At the Closing and for purposes of determining Purchase Price adjustments, Asset Taxes with respect to each Asset for the applicable Straddle Period shall be prorated in accordance with the foregoing provisions based on the Asset Tax assessment for such Asset for such Straddle Period, if available, or if otherwise, based on the Asset Taxes paid with respect to such Asset during the preceding Tax period. With respect to any not yet delinquent Asset Taxes relating to a Tax year ending after the Effective Date that are not required to be paid until after the Closing Date, Buyer will assume responsibility for the actual payment of all such Asset Taxes to the applicable Governmental Authority. With respect to any Asset Taxes relating to a Straddle Period or pre-Effective Date Tax period that are delinquent as of the Effective Date, the amount of which is known and not subject to dispute, Buyer shall pay the delinquent amount of such Asset Taxes directly to the applicable Governmental Authority at the Closing.

(c) Seller, on the one hand, or Buyer, on the other hand, as the case may be (the “Reimbursing Party”), shall provide reimbursement for any Tax paid by the other Party (the “Paying Party”), all or a portion of which is allocable to the Reimbursing Party pursuant to Section 8.1(b), or which represents an overpayment for Taxes by the Paying Party, in accordance with the terms of this Section 8.1 (which such reimbursement may apply as a Purchase Price adjustment pursuant to Section 8.10(a)(ii) or Section 8.10(b)(iii), as applicable). Unless otherwise provided in Section 8.1(b), within a reasonable time prior to the payment of any such Tax, the Paying Party shall give notice to the Reimbursing Party of the Tax payable and the Paying Party’s and Reimbursing Party’s respective Liability therefor, although failure to do so will not relieve the Reimbursing Party from its Liability hereunder except to the extent the Reimbursing Party is prejudiced thereby. Any amounts which may become payable from Seller to Buyer pursuant to this Section 8.1(c) shall constitute a super priority administrative expense of Seller under Section 364(c)(1) of the Bankruptcy Code with priority over any and all administrative expenses of the kind specified in Sections 503(b) or 507(b) of the Bankruptcy Code.

(d) Buyer and Seller agree to furnish or cause to be furnished to each other, upon request, as promptly as practicable, such information and assistance relating to the Assets (including access to books and records and Tax Returns and related working papers dated before Closing) as is reasonably necessary for the filing of all Tax Returns, the making of any election relating to Taxes, the preparation for any audit by any taxing authority, the prosecution

or defense of any claims, suit or proceeding relating to any Tax, and the claiming by Buyer of any federal, state or local business tax credits or incentives that Buyer may qualify for in any of the jurisdictions in which any of the Assets are located; *provided, however*, that neither Buyer nor Seller shall be required to disclose the contents of its income Tax Returns to any Person. Any expenses incurred in furnishing such information or assistance pursuant to this Section 8.1(d) shall be borne by the Party requesting it.

8.2 Allocation of Purchase Price.

The Purchase Price (and all other capitalized costs) shall be allocated among the Assets as set forth on Schedule 8.2, which shall be in accordance with Code §1060 and the regulations thereunder (and any similar provision of state, local, or non-U.S. law, as appropriate). The allocation to each Asset is referred to herein as the “Allocated Value” of such Asset, and the general allocation of value described in this Section 8.2 is referred to herein as the “Tax Allocation”. Seller and Buyer agree to be bound by the Allocated Values set forth in Schedule 8.2 for purposes of this Agreement. Seller and Buyer each agree to report, and to cause their respective Affiliates to report, the federal, state, and local income and other Tax consequences of the transactions contemplated herein, and in particular to report the information required by Code §1060(b), and to jointly prepare Internal Revenue Service Form 8594 (Asset Acquisition Statement under Code §1060) as promptly as possible following the Closing Date and in a manner consistent with the Tax Allocation, as may be revised, to take into account subsequent adjustments to the Purchase Price, including any adjustments pursuant to the Agreement to determine the Purchase Price, and shall not take any position for US federal, state and local income tax purposes inconsistent therewith upon examination of any Tax return, in any refund claim, in any tax litigation, or investigation, unless required to do so by any Legal Requirement after notice to and discussions with the other Party, or with such other Party’s prior consent; *provided, however*, that nothing contained herein shall prevent Buyer or Seller from settling any proposed deficiency or adjustment by any Governmental Authority based upon or arising out of the Tax Allocation, and neither Buyer nor Seller shall be required to litigate before any court any proposed deficiency or adjustment by any Governmental Authority challenging the Tax Allocation. Notwithstanding any other provision of this Agreement, the terms and provisions of this Section 8.2 shall survive the Closing without limitation.

8.3 Bulk Sales.

Buyer and Seller hereby waive compliance with all “bulk sales,” “bulk transfer” and similar laws that may otherwise be applicable with respect to the sale and transfer of any or all of the Assets to Buyer.

8.4 Assigned Contracts and Assigned Leases and Interests: Adequate Assurance and Performance.

(a) With respect to each Assigned Contract and Assigned Lease and Interest, Buyer shall provide adequate assurance as required under the Bankruptcy Code of the future performance by Buyer of each such Assigned Contract or Assigned Lease and Interest. Buyer and Seller agree that they will promptly take all actions reasonably required to assist in obtaining a Bankruptcy Court finding that there has been an adequate demonstration of adequate assurance of future performance under the Assigned Contracts and the Assigned Leases and Interests, such as furnishing timely requested and factually accurate affidavits and other

documents or information for filing with the Bankruptcy Court and making Buyer's and Seller's employees and Representatives available to testify before the Bankruptcy Court. Notwithstanding the foregoing, Seller shall have no obligation under this Agreement (including, for the avoidance of doubt, pursuant to Section 7.4 or this Section 8.4(a)) to provide any assistance with respect to the preparation of any financial information.

(b) Buyer shall pay, perform or satisfy the Assumed Liabilities from time to time and as such Assumed Liabilities become due and payable or are required to be performed or satisfied in accordance with their respective terms.

(c) Without limiting the provisions of Section 8.4(a), Buyer acknowledges that Seller has no duty to maintain any bonds, letters of credit, guarantees, cash deposits and insurance to secure performance or payment under any Assigned Contracts or Assigned Leases and Interests, to the extent described on Schedule 8.4(c) (collectively, "Seller Credit Obligations") after the Closing, and Buyer agrees to reasonably cooperate with Seller in Seller's efforts to secure the release of any Seller Credit Obligations posted by Seller, such cooperation to include, if necessary, the provision by Buyer of a guaranty or letter of credit to secure Buyer's payment and/or performance under any Assigned Contracts or Assigned Leases and Interests after the Closing. On or before the Closing, Buyer shall obtain, or cause to be obtained in the name of Buyer, replacements for all Seller Credit Obligations. If any Seller Credit Obligation remains outstanding as of the Closing Date, Buyer shall indemnify each member of the Seller Group and hold them harmless against any Losses that the Seller Group may incur under any such Seller Credit Obligations from and after the Effective Date.

8.5 Post-Closing Books and Records and Personnel.

For five (5) years after the Closing Date (or such longer period as may be required by any Governmental Authority or ongoing claim), (a) Buyer shall not dispose of or destroy any of the Records received by Buyer as Assets and (b) Buyer shall allow Seller (including, for clarity, any trust established under a chapter 11 plan of Seller or any other successors of Seller) and any of its directors, officers, employees, counsel, representatives, accountants and auditors reasonable access during normal business hours, at Seller's sole expense and upon reasonable advance notice, to all employees and files of Buyer and its respective Subsidiaries and any Records included in the Assets for purposes relating to the Bankruptcy Case, the wind-down of the operations of Seller, the functions of any such trusts or successors, or other reasonable business purposes, and Seller (including any such trust or successors) and such directors, officers, employees, counsel, representatives, accountants and auditors shall have the right to make copies of any such files, books, records and other materials. Until the closing of the Bankruptcy Case or the liquidation and winding up of Seller's estate, Seller shall preserve and keep the Records and, at Buyer's sole expense, shall make such Records, records, and Seller's personnel available to Buyer as may be reasonably required by Buyer in connection with, among other things, any insurance claims by, Proceedings, Actions or Tax audits against, or governmental investigations of, Buyer or any of its Affiliates or in order to enable Buyer to comply with its obligations under this Agreement and each other Transaction Document. In the event any Party desires to destroy any such Records during or after the time during which they must be maintained pursuant to this Section 8.6, such Party shall first give ninety (90) days prior written notice to the other Party and such other Party shall have the right at their option and expense, upon prior written notice given within such ninety (90) day period to the Party desiring to destroy such Records or records, to

take possession of the Records within one hundred and eighty (180) days after the date of such notice, or such shorter period as the liquidation and winding up of Seller's estate shall permit.

8.6 No Other Representations or Warranties; Disclaimers; NORM.

(a) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT BUT EXCEPT AS AND TO THE EXTENT EXPRESSLY SET FORTH IN THIS AGREEMENT AND IN THE TRANSACTION DOCUMENTS, (i) SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, AND DISCLAIMS ALL LIABILITY AND RESPONSIBILITY FOR ANY REPRESENTATION, WARRANTY, STATEMENT OR INFORMATION MADE OR COMMUNICATED (ORALLY OR IN WRITING) TO BUYER (INCLUDING ANY OPINION, INFORMATION, OR ADVICE THAT MAY HAVE BEEN PROVIDED TO BUYER BY ANY RESPECTIVE AFFILIATE OR REPRESENTATIVE OF SELLER OR BY ANY INVESTMENT BANK OR INVESTMENT BANKING FIRM, ANY PETROLEUM ENGINEER OR ENGINEERING FIRM, SELLER'S COUNSEL, OR ANY OTHER AGENT, CONSULTANT, OR REPRESENTATIVE OF SELLER) AND (ii) SELLER FURTHER MAKES NO REPRESENTATION, COVENANT OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY FILES, RECORDS OR DATA HERETOFORE OR HEREAFTER FURNISHED IN CONNECTION WITH THE ASSETS, OR AS TO THE QUALITY OR QUANTITY OF HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE ASSETS, OR THE ABILITY OF THE ASSETS TO PRODUCE HYDROCARBONS (ANY AND ALL SUCH FILES, RECORDS AND DATA FURNISHED BY SELLER IS PROVIDED AS A CONVENIENCE, AND ANY RELIANCE ON OR USE OF THE SAME SHALL BE AT BUYER'S SOLE RISK). WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS AND TO THE EXTENT EXPRESSLY SET FORTH IN THE TRANSACTION DOCUMENTS, SELLER EXPRESSLY DISCLAIMS AND NEGATES ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE, OR OTHERWISE, RELATING TO (A) THE TITLE TO ANY OF THE ASSETS, (B) THE CONDITION OF THE ASSETS (INCLUDING ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR CONFORMITY TO MODELS OR SAMPLES OF MATERIALS), IT BEING DISTINCTLY UNDERSTOOD THAT THE ASSETS ARE BEING SOLD "AS IS," "WHERE IS," AND "WITH ALL FAULTS AS TO ALL MATTERS," (C) FREEDOM FROM HIDDEN OR REDHIBITORY DEFECTS OR VICES (D) ANY INFRINGEMENT BY SELLER OF ANY PATENT OR PROPRIETARY RIGHT OF ANY THIRD PARTY, (E) ANY INFORMATION, DATA, OR OTHER MATERIALS (WRITTEN OR ORAL) FURNISHED TO BUYER BY OR ON BEHALF OF SELLER (INCLUDING WITHOUT LIMITATION, IN RESPECT OF ANY SEISMIC DATA, THE EXISTENCE OR EXTENT OF HYDROCARBONS OR THE MINERAL RESERVES, THE RECOVERABILITY OF SUCH RESERVES, ANY PRODUCT PRICING ASSUMPTIONS, AND THE ABILITY TO SELL HYDROCARBON PRODUCTION AFTER THE CLOSING), AND (F) THE ENVIRONMENTAL CONDITION AND OTHER CONDITION OF THE ASSETS AND ANY POTENTIAL LIABILITY ARISING FROM OR RELATED TO THE ASSETS.

(b) WAIVER OF CONSUMER AND OTHER RIGHTS: BUYER WAIVES ITS RIGHTS UNDER THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SPECIFICALLY INCLUDING SECTION 17.41 ET SEQ., VERNON'S TEXAS CODE ANNOTATED, BUSINESS AND COMMERCE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS, OR ANY SIMILAR STATE OR FEDERAL LAW. AFTER AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF ITS OWN SELECTION, BUYER ACKNOWLEDGES THAT THE DISCLAIMERS AND WAIVERS GIVEN IN AND UNDER THIS AGREEMENT SHALL BE CONSIDERED MATERIAL AND INTEGRAL PARTS OF THIS AGREEMENT, WITH CONSIDERATION GIVEN THEREFOR, AND ACKNOWLEDGES THAT ALL DISCLAIMERS AND WAIVERS ARE "CONSPICUOUS"

AND, HAVE BEEN BROUGHT TO THE ATTENTION OF BUYER, AND THAT BUYER HAS VOLUNTARILY AND KNOWINGLY CONSENTED TO ALL DISCLAIMERS AND WAIVERS.

(c) Buyer acknowledges and affirms that it has made its own independent investigation, analysis, and evaluation of the transactions contemplated hereby and the Assets (including Buyer's own estimate and appraisal of the extent and value of Seller's Hydrocarbon reserves attributable to the Assets and an independent assessment and appraisal of the environmental risks associated with the acquisition of the Assets). Buyer acknowledges that in entering into this Agreement, it has relied on the aforementioned investigation. Buyer hereby irrevocably covenants to refrain from, directly or indirectly, asserting any claim, or commencing, instituting, or causing to be commenced, any Proceeding of any kind against Seller or its Affiliates or Subsidiaries, alleging facts contrary to the foregoing acknowledgment and affirmation.

(d) BUYER ACKNOWLEDGES THAT THE ASSETS HAVE BEEN USED FOR EXPLORATION, DEVELOPMENT AND PRODUCTION OF OIL, GAS AND WATER AND THAT THERE MAY BE PETROLEUM, PRODUCED WATER, WASTES OR OTHER HAZARDOUS SUBSTANCES LOCATED ON, UNDER OR ASSOCIATED WITH THE ASSETS. EQUIPMENT AND SITES INCLUDED IN THE ASSETS MAY CONTAIN NORM. NORM MAY AFFIX OR ATTACH ITSELF TO THE INSIDE OF WELLS, MATERIALS AND EQUIPMENT AS SCALE, OR IN OTHER FORMS; THE WELLS, MATERIALS AND EQUIPMENT LOCATED ON OR INCLUDED IN THE ASSETS MAY CONTAIN NORM AND OTHER WASTES OR HAZARDOUS SUBSTANCES; AND NORM CONTAINING MATERIAL AND OTHER WASTES OR HAZARDOUS SUBSTANCES MAY HAVE BEEN BURIED, COME IN CONTACT WITH THE SOIL OR OTHERWISE BEEN DISPOSED OF ON OR AROUND THE ASSETS. SPECIAL PROCEDURES MAY BE REQUIRED FOR THE REMEDIATION, REMOVAL, TRANSPORTATION OR DISPOSAL OF WASTES, ASBESTOS, HAZARDOUS SUBSTANCES, INCLUDING HYDROGEN SULFIDE GAS AND NORM FROM THE ASSETS. FROM AND AFTER THE CLOSING, BUYER SHALL ASSUME RESPONSIBILITY FOR THE CONTROL, STORAGE, HANDLING, TRANSPORTING AND DISPOSING OF OR DISCHARGE OF ALL MATERIALS, SUBSTANCES AND WASTES FROM THE ASSETS (INCLUDING PRODUCED WATER, HYDROGEN SULFIDE GAS, DRILLING FLUIDS, NORM AND OTHER WASTES), PRESENT AFTER THE EFFECTIVE DATE, IN A SAFE AND PRUDENT MANNER AND IN ACCORDANCE WITH ALL APPLICABLE ENVIRONMENTAL LAWS.

8.7 Casualty.

(a) If, after the Execution Date and prior to the Closing, a material part of the Assets suffers a Casualty Loss or if a material part of the Assets is taken in condemnation or under the right of eminent domain or if proceedings for such purposes are pending or threatened, Seller shall promptly give Buyer written notice of such occurrence, including reasonable particulars with respect thereto, and this Agreement shall remain in full force and effect notwithstanding any such Casualty Loss.

(b) With regard to a Casualty Loss or condemnation occurring after the Execution Date, without Buyer's prior consent (which shall not be unreasonably withheld, conditioned or delayed), no insurance or condemnation proceeds shall be committed or applied by Seller to repair, restore or replace a lost, damaged, destroyed or taken portion of the Assets if the cost to repair, restore or replace a lost, damaged, destroyed or taken portion of the Assets is projected to exceed One Hundred Thousand Dollars (\$100,000). To the extent such proceeds are not committed or applied by Seller prior to the Closing Date in accordance with this Section

8.7(b), Seller shall at the Closing pay to Buyer all sums paid to Seller by reason of such loss, damage, destruction or taking, less any reasonable costs and expenses incurred by Seller in collecting such proceeds. In addition and to the extent such proceeds have not been committed or applied by Seller in accordance with this Section 8.7(b), in such repair, restoration or replacement, Seller shall transfer to Buyer, at the Closing, without recourse against Seller, all of the right, title and interest of Seller in and to any unpaid insurance or condemnation proceeds arising out of such loss, damage, destruction or taking, less any reasonable costs and expenses incurred by Seller in collecting such proceeds. Any such funds that have been committed by Seller for repair, restoration or replacement as aforesaid shall be paid by Seller for such purposes or, at Seller's option, delivered to Buyer upon Seller's receipt from Buyer of adequate assurance and indemnity that Seller shall incur no liability or expense as a result of such commitment.

(c) Notwithstanding anything to the contrary in this Agreement, (i) at the Closing, the Assets affected by a Casualty Loss or condemnation shall be included in the Closing and Buyer shall pay the full Allocated Value therefor, subject to any applicable adjustments under this Agreement, and (ii) Buyer's recourse with respect to a condemnation or Casualty Loss shall be limited to the proceeds of Seller's applicable insurance coverage actually recovered by Seller in respect thereof or other sums paid to Seller by third parties (or an assignment of claims related thereto), which proceeds or other sums shall be payable to Buyer only upon or after the Closing of the transaction contemplated hereby. Seller shall have no other liability or responsibility to Buyer with respect to a condemnation or Casualty Loss, **EVEN IF SUCH CASUALTY LOSS SHALL HAVE RESULTED FROM OR SHALL HAVE ARISEN OUT OF THE SOLE OR CONCURRENT NEGLIGENCE, FAULT, VIOLATION OF A LEGAL REQUIREMENT, OR WILLFUL MISCONDUCT OF SELLER OR ANY MEMBER OF SELLER GROUP.**

8.8 Successor Operator.

Seller shall use its commercially reasonable efforts to support Buyer's efforts to be appointed or to have a designee appointed as the successor operator of those Properties that Seller currently operates (if any). Notwithstanding the foregoing, Seller makes no representations or warranties to Buyer as to the transferability of operatorship of any Properties which Seller currently operates. Rights and obligations associated with operatorship of the Properties are governed by operating agreements or similar agreements and will be determined in accordance with the terms of such agreements.

8.9 Preferential Purchase Rights.

All Assets that are subject to Preferential Purchase Rights shall be transferred or assigned to Buyer at the Closing, and Buyer shall take title to such Assets subject to such Preferential Purchase Rights. In the event any holder of a valid Preferential Purchase Right thereafter lawfully and timely exercises its Preferential Purchase Right, Buyer shall assign such affected Assets to the holder of such Preferential Purchase Right, and such holder shall pay Buyer all proceeds generated from the exercise of such Preferential Purchase Right.

8.10 Accounting Adjustments for Revenues and Expenses.

(a) The Base Purchase Price shall be increased by the following (without duplication): (i) an amount equal to the value of all merchantable allowable oil or other liquid Hydrocarbons in storage owned by Seller above a custody transfer point on the Effective Date that is credited to the Assets, such value to be the current market price or the price paid, less

Taxes and gravity adjustments deducted by the purchaser of such oil or other liquid Hydrocarbons; (ii) the aggregate amount of all expenditures paid in connection with the ownership, operation and maintenance of the Properties (including rentals, overhead, royalties, Lease option and extension payments, Asset Taxes (as determined pursuant to Section 8.1(b)) and other charges and expenses billed under applicable operating agreements or governmental statute(s)) which are paid by or on behalf of Seller, are not subject to reimbursement to Seller pursuant to a joint interest billing and are attributable to the period on or after the Effective Date (including any pre-paid charges); (iii) the aggregate amount of all Known Receivables; (iv) all cash call pre-payment amounts set forth on Schedule 8.10(a)(iv) (which the Parties agree shall be updated two (2) Business Days prior to the Closing Date), royalty overpayment amounts and/or future deductions as royalty offsets associated with the Assets as of the Effective Date; and (v) any other amount agreed upon in writing by Buyer and Seller;

(b) The Base Purchase Price shall be decreased by the following (without duplication): (i) the amount of any proceeds received by Seller from the sale of Hydrocarbons, produced from and after the Effective Date, from the Properties (net of royalties and other burdens on Buyer's share of the proceeds from the production of Hydrocarbons not otherwise accounted for hereunder) actually received by Seller; (ii) the amount of any proceeds received by Seller from any oil, gas or hydrocarbon lease (including any rentals, royalties, option or extension payments) of any Assets (x) executed on or after the Effective Date, whenever such proceeds are received or (y) to the extent such proceeds are received after the Effective Date, whenever such lease was executed; (iii) the aggregate amount of all expenditures paid (if any) in connection with the ownership, operation and maintenance of the Properties (including rentals, overhead, royalties, Lease option and extension payments, Asset Taxes (as determined pursuant to Section 8.1(b)) and other charges and expenses billed under applicable operating agreements or governmental statute(s)) which are not paid by Seller prior to Closing, are not subject to reimbursement to Buyer pursuant to a joint interest billing and are attributable to the period prior to the Effective Date; (iv) as a consequence of any Assets not transferred to Buyer at Closing as contemplated in Section 2.6 and (v) any other amount agreed upon in writing by Buyer and Seller; and

(c) The Base Purchase Price will be adjusted upward or downward, as applicable, by (i) the net Mcf and barrel of oil amount of the aggregate Imbalances attributable to Seller's Net Revenue Interest in the Wells as of the Effective Date multiplied by the then-current market value for any such gas or oil applicable to production from such Well (upward for underage and downward for overage); and (ii) the MMBtu amount of any pipeline Imbalances or unsatisfied throughput obligations attributable to Seller or the Assets for Seller's ownership prior to the Effective Date multiplied by the actual settlement price per MMBtu (upward for over deliveries and downward for under deliveries).

8.11 Initial Adjustment at Closing.

At least five (5) Business Days before the Closing Date, Seller shall provide to Buyer a statement showing its computations, calculated in good faith, of the amount of the adjustments provided for in Section 3.1 above. Buyer and Seller shall attempt to agree upon such adjustments prior to Closing; *provided* that if agreement is not reached, Seller's computation shall be used at Closing, subject to further adjustment under Section 8.12 below. If the amount of adjustments so determined which would result in a credit to Buyer exceeding the amount of adjustments so determined which would result in a credit to Seller, Buyer shall receive

a Base Purchase Price reduction at Closing for the amount of such excess, and if the converse is true, then the amount to be paid by Buyer to Seller at Closing shall be increased by the amount of such excess.

8.12 Adjustment Post Closing.

On or before sixty (60) days after Closing, Buyer and Seller shall review any information which may then be available pertaining to the adjustments provided for in Section 3.1, shall determine if any additional adjustments should be made beyond those made at Closing (whether the same be made to account for expenses or revenues not considered in making the adjustments made at Closing, or to correct errors made in the adjustments made at Closing), and shall make any such adjustments by appropriate payments from Seller to Buyer or from Buyer to Seller. If the Parties fail to agree on final adjustments within such sixty (60) day period, either Party may, within thirty (30) days after the end of such period, submit the disputed items to RSM US LLP or another nationally-recognized, United States-based independent public accounting firm on which the Parties mutually agree in writing (the "Accounting Referee"); *provided, however*, that the Accounting Referee shall not have performed any material work for any Party or their respective Affiliates within three (3) years of the date hereof. If RSM US LLP is unable or unwilling to serve as the Accounting Referee and the Parties are unable to agree upon the designation of a Person or entity as substitute Accounting Referee, then Seller or Buyer, or either of them, may in writing request the Bankruptcy Court to appoint a substitute Accounting Referee; *provided* that such Person or entity so appointed shall be a national or regional accounting firm with no prior material relationships with Seller or Buyer or their respective Affiliates and shall have experience in auditing companies engaged in oil and gas exploration and development activities. Any unresolved matters described in this Section 8.12 that are not submitted to the Accounting Referee within such thirty (30) day period shall be deemed waived by the Parties, which waiver shall be final and binding on the Parties and the subject matter thereof shall not be subject to further review or audit. The Parties shall direct the Accounting Referee to resolve the disputes within thirty (30) days after submission of the matters in dispute. The Accounting Referee shall act as an expert for the limited purpose of determining the specific disputed matters submitted by either Party and may not award damages or penalties to either Party with respect to any matter. Seller and Buyer shall share equally the Accounting Referee's costs, fees and expenses (including attorneys' fees). The final settlement statement, whether as agreed between the Parties or as determined by a decision of the Accounting Referee (the "Final Settlement Statement"), shall be binding on, and non-appealable by, the Parties and not subject to further review or audit. After taking into consideration any portion of the Deposit released to Seller or Buyer pursuant to Section 3.2, any remaining payment by Buyer or Seller, as applicable, for any outstanding amounts on the Final Settlement Statement shall be made within five (5) Business Days after the date on which all disputes in respect of the Final Settlement Statement are finally resolved (whether by agreement of the Parties or pursuant to the Accounting Referee's decision). During the period between Closing and the point in time when the Final Settlement Statement has been agreed to by the Parties, or determined by a decision of the Accounting Referee, each Party shall, on a monthly basis, (i) pay over to the other Party any revenue received by it (net of related expenses) with respect to the Assets which is owed to the other Party as set forth in Section 8.11 above, and (ii) deliver any cash, checks with appropriate endorsements (using their best efforts not to convert such checks into cash) or other property that it may receive on or after the Closing which properly belongs to the other Party, and such payments and deliveries shall be considered in determining the Final Settlement Statement. Notwithstanding the foregoing, as of

the date that the Final Settlement Statement is agreed to by the Parties, or determined by a decision of the Accounting Referee, the Final Settlement Statement shall be final and binding on the Parties and not subject to further review or audit, and neither Party shall have any further rights or obligations regarding payment of money or delivery of property pursuant to the preceding sentence.

ARTICLE 9

CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER TO CLOSE

The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver, at or prior to the Closing, of each of the following conditions:

9.1 Accuracy of Representations.

The representations and warranties of Seller set forth in this Agreement shall be true and correct in all respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date (*provided* that representations and warranties which are confined to a specified date shall speak only as of such date); *provided, however*, that in the event of a breach of or inaccuracy in the representations and warranties of Seller set forth in this Agreement, the condition set forth in this Section 9.1 shall be deemed satisfied unless the effect of all such breaches of or inaccuracies in such representations and warranties taken together results in a Material Adverse Effect. Unless otherwise waived by Buyer, Buyer shall have received a certificate of Seller to such effect signed by a duly authorized officer thereof. If Buyer determines that there has been a breach or inaccuracy of any of Seller's representations and warranties, it shall provide Seller with notice of such breach or inaccuracy as promptly as reasonably practicable after the determination thereof, but in no event later than five (5) Business Days before the Closing Date, so that Seller may attempt to cure such breach or inaccuracy on or before the Closing Date.

9.2 Seller's Performance.

Each covenant and agreement that Seller is required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been duly performed and complied with in all material respects (except that those covenants and agreements that are qualified as to materiality or Material Adverse Effect or similar expressions shall have been duly performed and complied with in all respects), and Buyer shall have received a certificate of Seller to such effect signed by a duly authorized officer thereof.

9.3 No Order.

No Governmental Authority shall have enacted, issued, promulgated or entered any Order or other Legal Requirement which is in effect and has the effect of making illegal or otherwise prohibiting the consummation of the transaction contemplated by this Agreement or could cause any of such transactions to be rescinded following the Closing.

9.4 Seller's Deliveries.

Each of the deliveries required to be made to Buyer pursuant to Section 4.4 shall have been so delivered.

9.5 Sale Order.

The Bankruptcy Court shall have entered the Sale Order and the Sale Order shall (a) be in full force and effect, (b) not have been modified, amended, rescinded or vacated in any material respect, and (c) not be subject to a stay pending appeal.

ARTICLE 10

CONDITIONS PRECEDENT TO THE OBLIGATION OF SELLER TO CLOSE

Seller's obligation to consummate the transactions contemplated by this Agreement is subject to the satisfaction or waiver, at or prior to the Closing, of each of the following conditions:

10.1 Accuracy of Representations.

The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects (except that those representations and warranties which are qualified as to materiality or similar expressions shall be true and correct in all respects) as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date (*provided* that representations and warranties which are confined to a specified date shall speak only as of such date), and Seller shall have received a certificate of Buyer to such effect signed by a duly authorized officer thereof.

10.2 Sale Order in Effect.

The Bankruptcy Court shall have entered the Sale Order and the Sale Order shall be in full force and effect and shall not be subject to a stay pending appeal.

10.3 Buyer's Performance.

The covenants and agreements that Buyer is required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been performed and complied with in all material respects (except that those covenants and agreements that are qualified as to materiality or similar expressions shall have been duly performed and complied with in all respects), and Seller shall have received a certificate of Buyer to such effect signed by a duly authorized officer thereof.

10.4 No Order.

No Governmental Authority shall have enacted, issued, promulgated or entered any Order or other Legal Requirement which is in effect and which has the effect of making illegal or otherwise prohibiting the consummation of the transaction contemplated by this Agreement or could cause any of such transactions to be rescinded following the Closing.

10.5 Buyer's Deliveries.

Each of the deliveries required to be made to Seller pursuant to Section 4.3 shall have been so delivered.

ARTICLE 11

TERMINATION

11.1 Termination Events.

Notwithstanding anything herein to the contrary, this Agreement may be terminated at any time prior to the Closing:

(a) by either Seller or Buyer:

(i) if a Governmental Authority issues a final, non-appealable ruling or Order prohibiting the transactions contemplated hereby where such ruling or Order was not requested, encouraged or supported by Seller or Buyer;

(ii) by mutual written consent of Seller and Buyer;

(iii) if the Closing has not occurred by the close of business on November 14, 2016 (the "Outside Date"); *provided, however*, that (1) Buyer shall be permitted to terminate this Agreement pursuant to this Section 11.1(a)(iii) only if (x) Buyer is not itself in material breach of any of its representations, warranties, covenants or agreements contained herein and (y) Buyer has provided written notice to Seller of its intention to exercise its rights under this Section 11.1(a)(iii) and Seller has not provided written notice to Buyer that it is ready, willing and able to close the transactions contemplated by this Agreement on or before the date that is five (5) Business Days after the date of such notice from Buyer, and (2) Seller shall be permitted to terminate this Agreement pursuant to this Section 11.1(a)(iii) only if (x) Seller is not itself in material breach of any of its representations, warranties, covenants or agreements contained herein and (y) Seller has provided written notice to Buyer of its intention to exercise its rights under this Section 11.1(a)(iii) and Buyer has not provided written notice to Seller that it is ready, willing and able to close the transactions contemplated by this Agreement on or before the date that is five (5) Business Days after the date of such notice from Seller;

(iv) if Seller withdraws or seeks authority to withdraw the Sale Motion, or announce any stand-alone plan of reorganization or liquidation (or support any such plan filed by any other party);

(v) if the Bankruptcy Court enters an Order dismissing, or converting into cases under chapter 7 of the Bankruptcy Code, any of the cases commenced by Seller under chapter 11 of the Bankruptcy Code and comprising part of the Bankruptcy Case, where such Order was not requested, encouraged or supported by Seller; or

(vi) if Seller enters into (or provides written notice to Buyer of its intent to enter into) an Alternative Transaction or an agreement to sell, transfer or otherwise dispose of all or substantially all of the Assets in a transaction with one or more Persons other than Buyer or the Successful Bidder at the Auction.

(b) by Buyer:

(i) in the event of any breach by Seller of any of Seller's agreements, covenants, representations or warranties contained herein (*provided* such breach would result in the failure of a condition set forth in Section 9.1 or Section 9.2 to be satisfied) or (if such breach is material) in the Bidding Procedures Order or Sale Order, and the failure of Seller to cure such breach within ten (10) days after receipt of the Buyer Termination Notice;

provided, however, that (A) Buyer is not itself in material breach of any of its representations, warranties, covenants or agreements contained herein or in the Bidding Procedures Order or the Sale Order, (B) Buyer notifies Seller in writing (the “Buyer Termination Notice”) of its intention to exercise its rights under this Section 11.1(b)(i) as a result of the breach, and (C) Buyer specifies in the Buyer Termination Notice the representation, warranty, covenant or agreement contained herein or in the Bidding Procedures Order or Sale Order of which Seller is allegedly in breach and a description of the specific factual circumstances to support the allegation; or

(ii) if Buyer is not the Successful Bidder or the Backup Bidder at the Auction; *provided* that Buyer shall not be permitted to terminate this Agreement pursuant to this Section 11.1(b)(ii) until after the tenth (10th) day following entry by the Bankruptcy Court of an Order authorizing and approving a competing transaction with the Successful Bidder at the Auction (and, notwithstanding Buyer’s not having been the Successful Bidder or the Backup Bidder at the Auction, until such time (if any) as Buyer terminates this Agreement pursuant to this Section 11.1(b)(ii), the obligations of Buyer to consummate the transactions contemplated by this Agreement shall remain unaffected by Buyer’s right to terminate this Agreement pursuant to this Section 11.1(b)(ii)).

(c) by Seller:

(i) in the event of any breach by Buyer of any of Buyer’s agreements, covenants, representations or warranties contained herein (*provided* such breach would result in the failure of a condition set forth in Section 10.1 or Section 10.3 to be satisfied) or (if such breach is material) in the Bidding Procedures Order or Sale Order, and the failure of Buyer to cure such breach within ten (10) days after receipt of the Seller Termination Notice; *provided, however*, that Seller (A) is not itself in material breach of any of its representations, warranties, covenants or agreements contained herein or in the Bidding Procedures Order or the Sale Order, (B) notifies Buyer in writing (the “Seller Termination Notice”) of its intention to exercise its rights under this Section 11.1(c)(i) as a result of the breach, and (C) specifies in the Seller Termination Notice the representation, warranty, covenant or agreement contained herein or in the Bidding Procedures Order or Sale Order of which Buyer is allegedly in breach and a description of the specific factual circumstances to support the allegation; or

(ii) if Buyer is not the Successful Bidder or the Backup Bidder at the Auction.

11.2 Effect of Termination.

In the event of termination of this Agreement by Buyer or Seller pursuant to this Article 11, all rights and obligations of the Parties under this Agreement shall terminate without any Liability of any Party to any other Party (other than Section 3.2); *provided, however*, that nothing herein shall relieve any Party from liability for breach of this Agreement prior to such termination. The provisions of this Section 11.2 and Section 3.2 (and, to the extent applicable to the interpretation or enforcement of such provisions, Article 1 and Article 13), shall expressly survive the termination of this Agreement.

ARTICLE 12

SURVIVAL AND INDEMNIFICATION

12.1 No Survival of Seller's Representations and Warranties.

The representations and warranties of Seller contained herein and in any certificate or other Transaction Document delivered by Seller pursuant to this Agreement shall terminate upon and not survive the Closing and there shall be no liability thereafter in respect thereof. Each of Seller's covenants and other agreements contained in this Agreement shall terminate upon the Closing, except the covenants and agreements of Seller in Sections 2.4, 2.6, 2.7, 2.8, 7.4(a) and (b), 8.1 and 8.12 (each a "Post-Closing Covenant"), which shall survive the Closing until the earlier of (a) performance of such Post-Closing Covenant in accordance with this Agreement or, (b)(i) if time for performance of such Post-Closing Covenant is specified in this Agreement, sixty (60) days following the expiration of the time period for such performance or (ii) if time for performance of such Post-Closing Covenant is not specified in this Agreement, the expiration of the applicable statute of limitations with respect to any claim for any failure to perform such Post-Closing Covenant; *provided* that if a written notice of any claim with respect to any Post-Closing Covenant is given prior to the expiration thereof then such Post-Closing Covenant shall survive until, but only for purposes of, the resolution of such claim by final, non-appealable judgment or settlement.

12.2 Survival of Buyer's Representations and Warranties.

The representations and warranties of Buyer contained in Article 6 of this Agreement shall survive the Closing through and including the date that is twelve (12) months after the Closing Date (the "Expiration Date"); *provided, however*, that any obligations to indemnify and hold harmless shall not terminate with respect to any Liabilities as to which a Seller Indemnified Party shall have given notice to Buyer in accordance with Section 12.4(a) on or before the Expiration Date.

12.3 Indemnification by Buyer.

(a) Subject to Section 12.2, Buyer hereby agrees to indemnify and hold Seller and each member of the Seller Group (collectively, the "Seller Indemnified Parties") harmless from and against:

(i) any and all Liabilities based upon, attributable to or resulting from the breach of any representation or warranty of Buyer set forth in Article 6 hereof, or any representation or warranty contained in any certificate delivered by or on behalf of Buyer pursuant to this Agreement;

(ii) any and all Liabilities based upon, attributable to or resulting from the breach of any covenant or other agreement on the part of Buyer under this Agreement; and

(iii) all Assumed Liabilities.

(b) Notwithstanding anything contained herein to the contrary, any Seller Indemnified Party making an Indemnification Claim under Section 12.3 must give notice to the indemnifying Party of any such Indemnification Claim in writing on or prior to the Expiration Date.

12.4 Indemnification Procedures.

(a) In the event that any Actions shall be instituted or that any claim or demand shall be asserted by any Seller Indemnified Party in respect of which payment may be sought under Section 12.3 (an "Indemnification Claim"), the Seller Indemnified Party shall reasonably and promptly cause written notice of the assertion of any Indemnification Claim of which it has knowledge which is covered by this indemnity to be forwarded to the indemnifying Party; *provided* that a Seller Indemnified Party need not wait until an Action has been instituted or demand has been asserted before delivering written notice of an Indemnified Claim to the indemnifying Party. The indemnifying Party shall have the right, at its sole option and expense, to be represented by counsel of its choice, which must be reasonably satisfactory to the Seller Indemnified Party, and to defend against, negotiate, settle or otherwise deal with any Indemnification Claim which relates to any Liabilities indemnified against hereunder. If the indemnifying Party elects to defend against, negotiate, settle or otherwise deal with any Indemnification Claim which relates to any Liabilities indemnified against hereunder, it shall within thirty (30) days (or sooner, if the nature of the Indemnification Claim so requires) notify the Seller Indemnified Party of its intent to do so. If the indemnifying Party elects not to defend against, negotiate, settle or otherwise deal with any Indemnification Claim which relates to any Liabilities indemnified against hereunder, the Seller Indemnified Party may defend against, negotiate, settle or otherwise deal with such Indemnification Claim. If the indemnifying Party shall assume the defense of any Indemnification Claim, the Seller Indemnified Party may participate, at his or its own expense, in the defense of such Indemnification Claim; *provided, however*, that such Seller Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the indemnifying Party if (a) so requested by the indemnifying Party to participate or (b) in the reasonable opinion of counsel to the Seller Indemnified Party a conflict or potential conflict exists between the Seller Indemnified Party and the indemnifying Party that would make such separate representation advisable; and *provided, further*, that the indemnifying Party shall not be required to pay for more than one such counsel for all Seller Indemnified Parties in connection with any Indemnification Claim. The Parties agree to reasonably cooperate with each other in connection with the defense, negotiation or settlement of any such Indemnification Claim. Notwithstanding anything in this Section 12.4 to the contrary, neither the indemnifying Party nor any Seller Indemnified Party shall, without the written consent of the other, settle or compromise any Indemnification Claim or permit a default or consent to entry of any judgment unless the claimant and such party provide to such other party an unqualified release from all liability in respect of the Indemnification Claim. If the indemnifying Party makes any payment on any Indemnification Claim, the indemnifying Party shall be subrogated, to the extent of such payment, to all rights and remedies of the Seller Indemnified Party to any insurance benefits or other claims of the Seller Indemnified Party with respect to such Indemnification Claim.

(b) After any final decision, judgment or award shall have been rendered by a Governmental Authority of competent jurisdiction and the expiration of the time in which to appeal therefrom, or a settlement shall have been consummated, or the Seller Indemnified Party and the indemnifying Party shall have arrived at a mutually binding agreement with respect to an Indemnification Claim hereunder, the Seller Indemnified Party shall forward to the indemnifying Party notice of any sums due and owing by the indemnifying Party pursuant to this Agreement with respect to such matter.

12.5 Calculation of Liabilities.

The amount of any Liabilities for which indemnification is provided under this Article 12 shall be net of any amounts actually recovered by the Seller Indemnified Party under insurance policies with respect to such Liabilities (net of any Tax or expenses incurred in connection with such recovery).

12.6 Tax Treatments of Indemnity Payments.

The Parties agree to treat any indemnity payment made pursuant to this Article 12 as an adjustment to the Base Purchase Price for federal, state, local and foreign income tax purposes. Any indemnity payment under this Article 12 shall be treated as an adjustment to the value of the Asset upon which the underlying Indemnification Claim was based, unless a final determination (which shall include the execution of a Form 870-AD or successor form) with respect to the Seller Indemnified Party causes any such payment not to be treated as an adjustment to the value of the asset for United States federal income tax purposes.

ARTICLE 13

GENERAL PROVISIONS

13.1 Confidentiality.

Notwithstanding anything in the Non-Disclosure Agreement to the contrary, the Parties agree that the non-disclosure agreement entered into by them and their Affiliates, dated April 6, 2016 (the "Non-Disclosure Agreement"), shall continue in full force and effect, notwithstanding the execution and delivery by the Parties of this Agreement, for a period of time ending six (6) months after the earlier to occur of (i) Closing or (ii) the termination of this Agreement; *provided, however*, that (a) disclosure of matters that become a matter of public record as a result of the Bankruptcy Case and the filings related thereto shall not constitute a breach of such Non-Disclosure Agreement, and (b) disclosures permitted under this Agreement shall not constitute a breach of such Non-Disclosure Agreement.

13.2 Public Announcements.

Buyer, on the one hand, and Seller, on the other hand, shall consult with each other before issuing any press release or otherwise making any public statement with respect to this Agreement, the transaction contemplated hereby or the activities and operations of the other Party, and shall not issue any such release or make any such statement without the prior written consent of the other Party (such consent not to be unreasonably withheld or delayed). Notwithstanding the foregoing, prior to or after the Closing, if Buyer (including any of its parent entities), on the one hand, or Seller (including any of its parent entities), on the other is required to make any statement, declaration or public announcement regarding this Agreement or the transaction contemplated hereunder pursuant to (a) any Legal Requirement, (b) applicable rules or regulations of any national securities exchange, or (c) the terms of such Party's (including such Party's respective parent entities) indentures, loan agreements, credit agreements or other similar debt agreements or financial instruments, then the same may be made without the approval of the other Party, but, in the case of disclosures made by Buyer, only to the extent the name of Seller is omitted from such statement, declaration or announcement if permitted by the applicable Legal Requirements.

13.3 Notices.

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 (or to such other addresses and representatives as a Party may designate by notice to the other Parties):

(i) If to Seller, then to:

Samson Resources Company
Geodyne Resources, Inc.
Samson Lone Star, LLC
Two West Second Street
Tulsa, Oklahoma 74103-3103
Attn: General Manager - Business Development
Phone: 918-591-1254
E-mail: bd@samson.com

and

Samson Resources Company
Geodyne Resources, Inc.
Samson Lone Star, LLC
Two West Second Street
Tulsa, Oklahoma 74103-3103
Attn: Corporate Secretary
Phone: 918-583-1791
E-mail: legal@samson.com

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Attn: Ross M. Kwasteniet; Brad Weiland; Jason
Gott
Phone: (312) 862-7182
E-mail: brad.weiland@kirkland.com

Kirkland & Ellis LLP
600 Travis Street, Suite 3300
Houston, Texas 77002
Attn: Anthony Speier, P.C.; Cody R. Carper
Phone: (713) 835-3734

E-mail: cody.carper@kirkland.com

(ii) If to Buyer:

Stone Hill Minerals Holdings, LLC
1320 S. University Drive
Suite 500
Fort Worth, Texas 76107
Attn: Andrew Schmid
Phone: (214) 676-3994
E-mail: aschmid@tug-hill.com

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

Vinson & Elkins L.L.P.
2001 Ross Avenue
Suite 3700
Dallas, Texas 75201
Attn: Marc Rose
Email: mrose@velaw.com

13.4 Waiver; Waiver of Damages.

No waiver of any of the provisions of this Agreement or rights hereunder shall operate as a waiver unless it is in writing and signed by the Party against whom enforcement of such waiver is sought. Neither the failure nor any delay by any Party in exercising any right, power or privilege under this Agreement or the documents referred to in this Agreement shall operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege shall preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. To the maximum extent permitted by applicable law, (a) no waiver that may be given by a Party shall be applicable except in the specific instance for which it is given, and (b) no notice to or demand on one Party shall be deemed to be a waiver of any right of the Party giving such notice or demand to take further action without notice or demand. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES ARISING OUT OF, ASSOCIATED WITH, OR RELATING TO THIS AGREEMENT (INCLUDING LOSS OF PROFIT OR BUSINESS INTERRUPTIONS, HOWEVER THE SAME MAY BE CAUSED) AND THE PARTIES HEREBY WAIVE ALL CLAIMS FOR ANY SUCH DAMAGES, EXCEPT TO THE EXTENT ANY SELLER INDEMNIFIED PARTY SUFFERS SUCH DAMAGES TO AN UNAFFILIATED THIRD PARTY IN CONNECTION WITH A FINALLY ADJUDICATED THIRD PARTY CLAIM, IN WHICH CASE SUCH DAMAGES SHALL BE RECOVERABLE (TO THE EXTENT RECOVERABLE UNDER ARTICLE 12) WITHOUT GIVING EFFECT TO THIS SECTION 13.4.

13.5 Entire Agreement; Amendment.

This Agreement (including the Schedules, Disclosure Schedules and the Exhibits) and the other Transaction Documents supersede all prior agreements between Buyer, on the one

hand, and Seller, on the other hand, with respect to its subject matter and constitute a complete and exclusive statement of the terms of the agreements between Buyer, on the one hand, and Seller, on the other hand, with respect to their subject matter. This Agreement may not be amended except by a written agreement executed by all of the Parties.

13.6 Assignment.

This Agreement, and the rights, interests and obligations hereunder, shall not be assigned by any Party by operation of law or otherwise without the express written consent of the other Parties (which consent may be granted or withheld in the sole discretion of such other Party); provided, however, Buyer shall have the right, without requiring the written consent of Seller, to assign all or an undivided portion of its rights and obligations under this Agreement to an Affiliate of Buyer provided that (a) Buyer shall provide Seller prompt written notice of any such assignment, (b) any such Affiliate to whom an assignment is made shall assume the rights and obligations of Buyer hereunder in proportion to the undivided interest assigned to such Affiliate, (c) the original Buyer hereunder shall be jointly and severally liable with each Affiliate to whom an assignment is made for the performance of the duties and obligations of Buyer hereunder, as to the rights and obligations assumed by each such Affiliate and (d) to the extent Buyer assigns its rights and obligations hereunder to more than one Affiliate, each such Affiliate shall each be severally, and not jointly and severally, responsible for such Buyer's respective obligations under this Agreement and each Transaction Document to which Buyer is a party, in proportion with each Buyer's percentage undivided interest set forth in such an assignment.

13.7 Severability.

The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any Person or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity or unenforceability.

13.8 Expenses.

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.

13.9 Time of the Essence.

Time shall be of the essence with respect to all time periods and notice periods set forth in this Agreement.

13.10 Governing Law; Consent to Jurisdiction and Venue; Jury Trial Waiver.

(a) Except to the extent the mandatory provisions of the Bankruptcy Code apply, this Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas applicable to contracts made and to be performed entirely in such state without regard to principles of conflicts or choice of laws

or any other law that would make the laws of any other jurisdiction other than the State of Texas applicable hereto.

(b) Without limitation of any Party's right to appeal any Order of the Bankruptcy Court, (i) the Bankruptcy Court shall retain exclusive jurisdiction to enforce the terms of this Agreement and to decide any claims or disputes which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, or the transactions contemplated hereby and (ii) any and all claims relating to the foregoing shall be filed and maintained only in the Bankruptcy Court, and the Parties hereby consent and submit to the exclusive jurisdiction and venue of the Bankruptcy Court and irrevocably waive the defense of an inconvenient forum to the maintenance of any such Action or Proceeding; *provided, however*, that, if the Bankruptcy Case is closed, all Actions and Proceedings arising out of or relating to this Agreement shall be heard and determined in a Texas state court or a federal court sitting in the state of Texas, and the Parties hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such Action or Proceeding and irrevocably waive the defense of an inconvenient forum to the maintenance of any such Action or Proceeding. The Parties consent to service of process by mail (in accordance with Section 13.3) or any other manner permitted by law.

(c) THE PARTIES HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED IN CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF SELLER, BUYER OR THEIR RESPECTIVE REPRESENTATIVES IN THE NEGOTIATION OR PERFORMANCE HEREOF.

13.11 Counterparts.

This Agreement and any amendment hereto may be executed in two (2) or more counterparts, each of which shall be deemed to be an original of this Agreement or such amendment and all of which, when taken together, shall constitute one and the same instrument. Notwithstanding anything to the contrary in Section 13.3, delivery of an executed counterpart of a signature page to this Agreement or any amendment hereto by telecopier or email attachment shall be effective as delivery of a manually executed counterpart of this Agreement or such amendment, as applicable.

13.12 Parties in Interest; No Third Party Beneficiaries.

This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable benefit, claim, cause of action, remedy or right of any kind, except for the Committee as set forth herein.

13.13 No Recourse.

Notwithstanding anything that may be expressed or implied in this Agreement or any Transaction Document, and notwithstanding the fact that any Party may be a partnership or limited liability company, each Party, by its acceptance of the benefits of this Agreement, covenants, agrees and acknowledges that no Persons other than the Parties shall have any obligation hereunder and that it has no rights of recovery hereunder against, and no recourse hereunder or under any Transaction Documents or in respect of any oral representations made or

alleged to be made in connection herewith or therewith shall be had against, any former, current or future Affiliate, incorporator, controlling Person, fiduciary, Representative, co-owner or equity holder of any Party (or any of their successors or permitted assignees) (each, a "Party Affiliate"), whether by or through attempted piercing of the corporate veil, by or through a claim (whether in tort, contract or otherwise) by or on behalf of such Person against the Party Affiliates, by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable Legal Requirement, or otherwise; it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any Party Affiliate, as such, for any obligations of the applicable Person under this Agreement or the transaction contemplated hereby, under any documents or instruments delivered contemporaneously herewith, in respect of any oral representations made or alleged to be made in connection herewith or therewith, or for any claim (whether in tort, contract or otherwise) based on, in respect of, or by reason of, such obligations or their creation.

13.14 Disclosure Schedules; Materiality.

The disclosure of any particular fact or item in any Disclosure Schedule shall not be deemed an admission as to whether the fact or item is "material" or would constitute a "Material Adverse Effect."

13.15 Liquidating Trustee.

If at any time Seller liquidates or otherwise has a trustee or other representative appointed by the Bankruptcy Court, then such trustee or other representative shall be entitled to exercise the rights of Seller under this Agreement.

13.16 Approval of the Bankruptcy Court.

Notwithstanding anything herein to the contrary, any and all obligations under this Agreement are subject to the entry of the Sale Order.

13.17 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 any of the Parties fails to take any action required of it hereunder to consummate the transactions contemplated by this Agreement, 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 at law or in equity. 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, at 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 Seller nor Buyer would have entered into this Agreement. If, prior to the Outside Date, any Party brings any action to enforce specifically the performance of the terms and provisions hereof by any other Party, the Outside Date will automatically be extended (a) for the period during which such action is pending or (b) by such other time period established by the court presiding over such action, as the case may be.

[Signature page follows.]

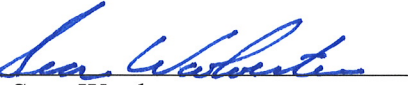
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered by their duly authorized representatives, all as of the day and year first above written.

SELLER:

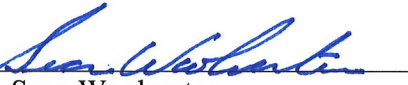
SAMSON RESOURCES COMPANY

By: 
Name: Sean Woolverton
Title: Executive Vice President & Chief Operating Officer

GEODYNE RESOURCES, INC.

By: 
Name: Sean Woolverton
Title: Executive Vice President & Chief Operating Officer

SAMSON LONE STAR, LLC

By: 
Name: Sean Woolverton
Title: Executive Vice President & Chief Operating Officer

BUYER:

STONE HILL MINERALS HOLDINGS, LLC

By: 

Name: Andrew Schmid

Title: Vice President