

Blake A. Bailey
 State Bar No. 01514700
PHELPS DUNBAR, LLP
 2102 E. State Highway 114, Suite 207
 Southlake, Texas 76092
 (817) 305-0332 (phone)
 (817) 488-3214 (facsimile)
 blake.bailey@phelps.com

Bojan Guzina (*pro hac vice* pending)
 Erin R. Rosenberg (*pro hac vice* pending)
WHITE & CASE LLP
 111 South Wacker Drive, Suite 5100
 Chicago, Illinois 60606
 Telephone: (312) 881-5400
 Email: bojan.guzina@whitecase.com
 erin.rosenberg@whitecase.com

Counsel for Plaintiff, Cornerstone Investment FCV LP

**IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE NORTHERN DISTRICT OF TEXAS
 FORT WORTH DIVISION**

In re:

SCANROCK OIL & GAS, INC., *et al.*,¹

Debtor.

CORNERSTONE INVESTMENT
 FCV LP

Plaintiff,

v.

PROSPERITY BANK; O'RYAN
 PRODUCTION & EXPLORATION,
 LTD.; O'RYAN FAMILY LIMITED
 PARTNERSHIP

Defendants.

) Chapter 11

) Case No. 25-90001-mxm11

) Jointly Administered

) Adv. Pro. No. 25-_____

COMPLAINT

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Scanrock Oil & Gas, Inc. (0380); EON Production, LLC (0136); O'Ryan Family Limited Partnership (1913); O'Ryan Production & Exploration Ltd. (9950); O'Ryan Ponderosa, LLC (1476); Ryan C. Hoerauf, Inc. (0493); and Smackover Oil Treaters, Ltd. (9529); O'Ryan Ranches, Ltd. (7184); O'Ryan Ranches, LLC (6467); and O'Ryan Oregon Ranches, LLC (collectively, the "**Debtors**"). The location of the Debtors' service address is 8180 Lakeview Center, Ste. 300, Odessa, TX 79765.

Cornerstone Investment FCV LP (“**Cornerstone**” or “**Plaintiff**”), by and through its undersigned counsel, brings this adversary complaint (“**Complaint**”), pursuant to Federal Rule of Bankruptcy Procedure 7001, seeking an order: (i) declaring that Cornerstone owns 58,000 shares (the “**Purchased Shares**”) in PB Materials Holdings, Inc., a privately held Delaware corporation (“**PBM**”), previously held by Debtor O’Ryan Production & Exploration, Ltd. (“**O’Ryan P&E**”) and sold to Cornerstone in December 2024; (ii) declaring that Prosperity Bank (“**Prosperity**”) does not have a valid lien on the Purchased Shares or the 6,000 shares of PBM that were retained by O’Ryan P&E (the “**Retained Shares**,” and together with the Purchased Shares, the “**PBM Shares**”); or, in the alternative, both, (iii) granting Cornerstone, which did not receive notice of the commencement of these cases, the bar date or other related developments in these bankruptcy proceedings, leave to late-file claims for damages against O’Ryan P&E and its debtor-affiliate that received proceeds from the sale of the Purchased Shares, O’Ryan Family Limited Partnership (“**O’Ryan Family LP**,” together with O’Ryan P&E, the “**Debtor Defendants**”); and (iv) granting relief from the Court’s *Amended Order Confirming the Debtors’ Amended Joint Consolidated Plan of Reorganization*, Case No. 25-90001 [Docket No. 541] (the “**Confirmation Order**”), *Final Order Granting Debtors’ Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief*, Case No. 25-90004 [Docket No. 363] (the “**Final Cash Collateral Order**”), or any other orders of this Court that Defendants may assert limit Cornerstone’s rights. In support thereof, Cornerstone further states as follows.

PRELIMINARY STATEMENT

1. Cornerstone owns the Purchased Shares. It bought them from O’Ryan P&E in December 2024 for \$4,612,406.00. The Debtor Defendants then used those proceeds to their and Prosperity’s benefit, including to fund these chapter 11 cases. Cornerstone was not notified

of the bankruptcy or given reason to believe its rights would be impacted by it.

2. Unbeknownst to Cornerstone, in the bankruptcy proceedings, Prosperity asserted a lien on the Purchased Shares, even though the Debtor Defendants acknowledged that they no longer owned them. That alleged lien, or at least Prosperity's belief in its existence, arose from an unauthorized pledge of the PBM Shares by O'Ryan P&E to secure a sizeable loan from Prosperity's predecessor. O'Ryan P&E and its owner, Ryan C. Hoerauf, intentionally hid the pledge from Cornerstone and PBM.

3. Rather than acknowledging that the sale of the Purchased Shares was validly completed and any lien attached only to the proceeds from the sale, Prosperity has taken the position that Cornerstone's purchase of the shares was somehow invalid and that its lien continues to attach to the shares. At the same time, Prosperity has also asserted a lien on the proceeds, maintaining that those funds, or whatever remained of them, were its cash collateral.

4. But, Prosperity has no lien. O'Ryan P&E executed the purported pledge in knowing contravention of clear restrictions in the governing stockholders' agreement, which rendered the pledge void *ab initio*. Basic diligence would have revealed this. Further, on information and belief, Prosperity knew or should have known of the restrictions.

5. Not satisfied with its over-collateralized position and the protections it already obtained from this Court in the chapter 11 proceedings, Prosperity has decided to mount a cash grab. In the bankruptcy cases, Prosperity claimed the proceeds from the Purchased Shares were its cash collateral and allowed those proceeds to be used to fund the costs of these cases. This avoided the need for the Debtors to obtain separate postpetition financing, and for Prosperity to provide such financing, which would have increased its exposure to the Debtors. Now, however, Prosperity claims the Purchased Shares were not sold and that the Retained Shares remain subject to its purported lien.

6. For Prosperity, the protections and benefits it already secured through the bankruptcy, including in the Final Cash Collateral Order, Plan, and Confirmation Order, are not enough. The fact that it was permitted to secure valuable concessions from the Debtors, including in the form of stipulations and security interests on additional collateral, while Cornerstone was deprived of notice and an opportunity to protect its rights, is not enough. Prosperity wants more. And off the back of the only innocent party involved in this dispute.

7. Prosperity's greed, and the Debtor Defendants' brazen conduct, have caused Cornerstone significant damage. Cornerstone brings this action to vindicate its interests and prevent the Defendants from receiving a windfall. The Defendants' acts and omissions not only harmed Cornerstone, they constitute an abuse of the bankruptcy process, which this Court should not tolerate.

JURISDICTION, VENUE, AND PREDICATES FOR RELIEF

8. Under 28 U.S.C. §§ 157(a) and 1334(b), this Court has jurisdiction over this adversary proceeding, which is a civil proceeding arising under, in, or related to a case under title 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**").

9. Venue is proper under 28 U.S.C. § 1409(a).

10. This is a core proceeding as defined in 28 U.S.C. § 157(b)(2). Cornerstone consents to entry of a final order or judgment by this Court even if it is later determined that this Court cannot enter a final order or judgment consistent with Article III of the United States Constitution.

PARTIES

11. Cornerstone is a Delaware limited partnership.

12. Prosperity is a Texas corporation with its principal place of business in Houston.

13. The Debtor Defendants are Texas entities with their principal place of business in Odessa.

BACKGROUND

I. O’Ryan P&E Acquires the PBM Shares Subject to Transfer Restrictions

14. Since on or around October 2, 2013, O’Ryan P&E, an entity controlled by Ryan C. Hoerauf (“**Hoerauf**”), has been a stockholder of PBM, a closely-held company engaged in the production of concrete and construction aggregates and based in Odessa, Texas.

15. O’Ryan P&E held 64,000 shares of PBM common stock.

16. O’Ryan P&E entered into an October 2, 2013 Stockholders’ Agreement by and among PBM, WLR Recovery Fund V, L.P., WLR V Parallel ESC, L.P., WLR Select Co-Investment, L.P. (collectively, “**WLR**”), and other minority stockholders of PBM (the “**Original Stockholders’ Agreement**” or “**OSA**”).²

17. The Original Stockholders’ Agreement contained customary restrictions (the “**Transfer Restrictions**”) that automatically invalidated any purported transfer or pledge of PBM shares unless it was either (a) a Permitted Transfer (as defined in the OSA), or (b) made after satisfaction of other enumerated conditions. The agreement provides:

***The Securities shall not be Transferred** (a) with respect to Permitted Transfers, by any Holder except in compliance with the conditions specified in Sections 5.2 and 5.3, and (b) otherwise, **by any Holder before satisfaction of (i) the conditions specified in Sections 5.1 through 5.4**, and (ii) if applicable, Article 4. . . . **Any purported Transfer in violation of this Article 5** or, if applicable, Article 4 **shall be void ab initio and of no force or effect.** . . .*

OSA § 5.1.1 (emphasis added); *see also* OSA § 1.1 (defining “Transfer” to include pledges).

II. O’Ryan P&E Pledges the Shares in Violation of the Stockholders’ Agreement

18. In or around February 2019, under the terms of an Amended and Restated Pledge Agreement (the “**Pledge Agreement**”),³ O’Ryan P&E agreed to pledge (the “**Purported Pledge**”) its PBM Shares as collateral to Lone Star Bank of West Texas (“**Lone**

² A true and correct copy of the Original Stockholders’ Agreement is attached hereto and incorporated herein as “**Exhibit A**.”

³ A true and correct copy of the Pledge Agreement is attached hereto and incorporated herein as “**Exhibit B**.”

Star”), predecessor in interest to Prosperity. O’Ryan P&E provided the Purported Pledge as additional security on a loan that it and several affiliates, including O’Ryan Family LP, had previously taken out in the face amount of more than \$42 million, later increased to more than \$51 million. Further to the Purported Pledge, at some point, O’Ryan P&E provided Lone Star, or Prosperity as its successor, with a physical stock certificate concerning the PBM Shares.

19. O’Ryan P&E executed the Pledge Agreement in complete disregard of the clear terms of the Original Stockholders’ Agreement. The Purported Pledge did not qualify as a Permitted Transfer under the Original Stockholders’ Agreement or otherwise satisfy the requirements under the Transfer Restrictions, including because, among other things:

- O’Ryan P&E failed to provide advance written notice to WLR and PBM of its intention to effect the Purported Pledge, *see* OSA § 5.3(a);
- O’Ryan P&E failed to provide PBM an opinion or evidence that the Purported Pledge of the PBM Shares may be effected without registration under the Securities Act of 1933, *see* OSA § 5.3(b);
- O’Ryan P&E failed to cause Lone Star to agree in writing to hold the PBM Shares subject to the provisions and upon the conditions specified in the Original Stockholders’ Agreement, *see* OSA § 5.1.1; and
- O’Ryan P&E failed to have the certificate representing the PBM Shares stamped with required legends confirming that they were subject to the terms and conditions in the Original Stockholders’ Agreement and not registered under the Securities Act of 1933, *see* OSA §§ 5.2.1, 5.2.3.

20. Although the Pledge Agreement includes a form to be signed by PBM, as issuer, acknowledging and consenting to the Purported Pledge, neither O’Ryan P&E nor Lone Star obtained PBM’s signature. Lone Star failed to follow its own procedures requiring that this acknowledgment be executed, which would have prevented the Purported Pledge. Instead, Lone Star allowed O’Ryan P&E alone to execute the Pledge Agreement. PBM never consented to the Purported Pledge, nor would it have had it been properly notified.

21. O’Ryan P&E’s failure to comply with the Transfer Restrictions rendered the Purported Pledge void *ab initio* and of no force or effect. *See* OSA § 5.1.1.

III. The O’Ryan Loans Mature and Prosperity Agrees to Forbear

22. On or around September 3, 2024, the loan taken out by the Debtor Defendants and their affiliates matured. On October 8, 2024, Prosperity sent a letter to those parties demanding repayment.

23. On or around December 2, 2024, the Debtor Defendants, their affiliates who were also borrowers under the loan, and Prosperity entered into a forbearance agreement, under which Prosperity agreed to forbear from exercising remedies under the Loan Agreement until March 31, 2025.

IV. While in Forbearance, O’Ryan P&E Sells the Purchased Shares to Cornerstone, Concealing the Purported Pledge

24. Meanwhile, on or around November 8, 2024, Cornerstone had entered into a transaction agreement with the former majority stockholder of PBM, WLR, pursuant to which that stockholder agreed to sell its shares in PBM to Cornerstone (the “**Cornerstone Transaction**”).

25. Prior to the closing of the Cornerstone Transaction, WLR held a super-majority of the common stock of PBM. In connection with the Cornerstone Transaction, each minority shareholder was given the opportunity to sell all their shares in PBM to Cornerstone or to retain all their shares. Certain minority shareholders elected to sell all their shares in PBM to Cornerstone while others elected to retain all their shares. No minority shareholder, including O’Ryan P&E, was obligated to sell its PBM shares to Cornerstone. Originally, O’Ryan P&E, along with certain other minority shareholders, indicated to Cornerstone that they would retain all of their PBM shares, and this was a condition precedent to closing of the Cornerstone Transaction.

26. In or around December 2024, prior to closing of the Cornerstone Transaction, O’Ryan P&E decided that it in fact did wish to sell a portion of its shares to Cornerstone, at the same purchase price as had been offered to all other PBM stockholders. O’Ryan P&E requested

that Cornerstone and the other parties to the transaction agreement agree to this change, which they did. As a result of this change, it was necessary for the transaction agreement to be amended to remove the condition precedent for O’Ryan P&E to retain all of its PBM shares. O’Ryan P&E opted to sell 58,000 shares and to retain 6,000, submitting a signed form (the “**Stockholder Election Form**”) to that effect.⁴

27. Hoerauf, on behalf of O’Ryan P&E, provided wire transfer instructions to Cornerstone for payment of \$4,612,406.00, as consideration for the Purchased Shares (the “**Cornerstone Share Sale Proceeds**”). The wire instructions directed that the funds be sent to a bank account for the benefit of O’Ryan Family LP. That bank account was not disclosed in either of the Debtor Defendants’ schedules of assets and liabilities. See O’Ryan P&E Schedules A/B: Assets - Real and Personal Property, Case No. 25-90004, Docket No. 15 (“**O’Ryan P&E Schedules A/B**”);⁵ O’Ryan Family LP, Schedules A/B: Assets - Real and Personal Property, Case No. 25-90003, Docket No. 15.

28. On or around December 31, 2024, the Cornerstone Transaction closed and Cornerstone wired the Cornerstone Share Sale Proceeds as instructed. O’Ryan P&E also entered into a new stockholders’ agreement with PBM, Cornerstone, LGK Advisors III, L.P., and other minority stockholders of PBM, which contained substantially similar restrictions on transfer as the Original Stockholders’ Agreement (the “**2024 Stockholders’ Agreement**”). See December 31, 2024 Stockholders’ Agreement by and among PB Materials Holdings, Inc., Cornerstone Investment FCV LP, LGK Advisors III, L.P., and other Holders Named Herein.⁶

29. Throughout the course of dealings surrounding the Cornerstone Transaction, the

⁴ A true and correct copy of the Stockholder Election Form is attached hereto and incorporated herein as “**Exhibit C.**”

⁵ A true and correct copy of the O’Ryan P&E Schedules A/B is attached hereto and incorporated herein as “**Exhibit D.**”

⁶ A true and correct copy of the 2024 Stockholders’ Agreement is attached hereto and incorporated herein as “**Exhibit E.**”

Debtor Defendants never disclosed the Purported Pledge to Cornerstone or PBM.

V. O’Ryan P&E and Affiliates file for Bankruptcy without Notifying Cornerstone

30. The Debtor Defendants continued to conceal the Purported Pledge even after the Cornerstone Transaction closed and they received the Cornerstone Share Sale Proceeds. The Debtor Defendants also continued to conceal, and both Lone Star and Prosperity as its successor continued to fail to notify, PBM of the Purported Pledge.

31. Then, on or around January 29, 2025, Prosperity sent the Debtor Defendants and their affiliates a Notice of Disposition of Collateral regarding the PBM Shares, advising of an Article 9 asset sale scheduled for February 10, 2025 (the “**Notice of Disposition**”). Prosperity sent a copy of the Notice of Disposition to PBM, notifying it for the first time of the Purported Pledge. But, Prosperity did not provide a copy of the Notice of Disposition, or any other form of notice, to Cornerstone or other parties to the 2024 Stockholders’ Agreement. Prosperity also did not inquire whether the Pledged Shares were registered securities or subject to any restrictions on transfer or redemption rights in favor of PBM or its stockholders, even though it announced its intention to dispose of the Pledged Shares in a public auction.

32. In response to this and other actions taken by Prosperity, the Debtor Defendants and certain affiliates filed the above-captioned cases seeking bankruptcy protection.

A. The Defendants Acknowledge the Share Sale but Fail to Disclose Key Details in the Bankruptcy Proceedings

33. In the bankruptcy proceedings, O’Ryan P&E was less than fully forthright, but ultimately acknowledged that it sold the Purchased Shares to Cornerstone, and in exchange, received the Cornerstone Share Sale Proceeds. O’Ryan P&E’s schedules conceded it no longer owned the Purchased Shares, listing only the Retained Shares as among its assets. *See* O’Ryan P&E Schedules A/B (listing “PV [sic] Materials Holdings, Inc. (6,000 shares)”).

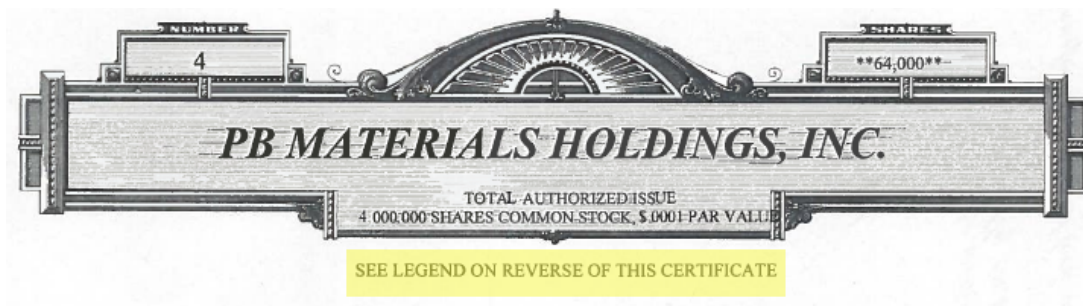
34. The Debtors did not disclose key details surrounding the Cornerstone Transaction or the Cornerstone Share Sale Proceeds, including providing a full accounting of

where all the proceeds went, how they were spent, and why. Moreover, and crucially, neither the Debtors nor Prosperity ever provided notice of the bankruptcy proceedings to Cornerstone.

B. Prosperity Invokes the Purported Pledge in the Bankruptcy Proceedings to Obtain Protections for its Alleged Lien on the Debtors' Cash

35. Although Prosperity, along with the Debtors, never notified Cornerstone of the bankruptcy proceedings, it nevertheless sought relief from the Court that could impact Cornerstone's rights. In the process, Prosperity made misleading statements and material omissions to this Court. This included representations designed to conceal the Transfer Restrictions, which plainly invalidate Prosperity's purported lien.

36. More specifically, in the bankruptcy proceedings, Prosperity presented a version of a stock certificate that appears to have been issued by PB Materials to O'Ryan P&E, which is certificate number 4 ("**Certificate No. 4**" or the "**Stock Certificate**").⁷ Prosperity has suggested, if not outright maintained, that the stock was not subject to any relevant transfer restrictions. However, the Stock Certificate clearly references a legend (the "**Restrictive Legend**") appearing on the other side:



Although Prosperity produced a copy of the Stock Certificate without the Restrictive Legend, Prosperity either knew or should have known this was an irregularity and had a duty to inquire further. Had it done so, it would have immediately uncovered that other copies of certificates issued by PBM bore the Restrictive Legend, reading as follows:

⁷ See Lender's Witness and Exhibit List, Ex. L ("PB Materials Holdings, Inc. Stock Certificate"), submitted by Prosperity to the Court at Docket No. 78-12, a true and correct copy of which submission is attached hereto and incorporated herein as "**Exhibit F**."

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE
SUBJECT TO . . . RESTRICTIONS ON TRANSFER . . . SET FORTH
IN THE STOCKHOLDERS' AGREEMENT.⁸

This further describes the Transfer Restrictions, which invalidate the Purported Pledge and prohibit Prosperity from asserting a lien.

37. Prosperity therefore either had actual knowledge of the restrictions or at least a duty to inquire further before asserting any lien. Yet this was never brought to the Court's attention. Instead, it was concealed from this Court, so that the Defendants could benefit, to Cornerstone's prejudice, and the detriment of all unsecured creditors.

38. The Defendants omitted this information as part of an effort to obtain approval of stipulations between them as to the validity of Prosperity's asserted lien. At the same time, the Defendants sought to benefit from Cornerstone's purchase, for valuable consideration, of the Purchased Shares. The Debtor Defendants admitted that most if not all of their cash on hand as of the petition date came from the Cornerstone Share Sale Proceeds, and that they would use any remaining cash to fund the bankruptcy proceedings. Prosperity then allowed that to happen.

39. On May 30, 2025, following litigation between the Debtors, Prosperity, and other parties—but not Cornerstone, who again was never served with notice—the Court entered the final cash collateral order in the bankruptcy case, which included a finding that “all cash or Cash Collateral in the possession, custody, or control of the Debtors were the proceeds of the PB Materials Shares [as defined therein] (other than \$35,000) or other Cash Collateral of Lender.” *See* Final Cash Collateral Order ¶ 22. The Final Cash Collateral Order also included stipulations of the Debtors concerning the validity of the Purported Pledge. *See id.* at ¶¶ F, 6. Ultimately, the Debtors and Prosperity worked in concert to use the Cornerstone Share Sale

⁸ *See, e.g.*, Stock Certificates No. 1-3, 12 issued by PBM, attached hereto and incorporated herein as “**Exhibit G**.”

Proceeds for each of their respective benefits, without regard to Cornerstone's rights. Again, Cornerstone was given no notice or opportunity to object.

C. The Court Confirms the Chapter 11 Plan

40. On September 8, 2025, the Court entered the Confirmation Order, confirming the *Debtors' Amended Joint Consolidated Plan of Reorganization*, Case No. 25-90001, Docket No. 431 (the "**Plan**"). The Plan provides for the satisfaction of all allowed claims in full and for equity holders, including Hoerauf, to retain all of their interests in the Debtors. Plan art. IV. Class 4 of the Plan consists of the Allowed Prosperity Bank Secured Claim (as defined in the Plan, and hereinafter referred to as "**Prosperity's Claim**"), which is allowed in the amount of \$51,101,493.84 plus interest (including post-petition interest), fees, and charges as provided therein. Plan § 4.4. The Plan further provides that Prosperity "shall retain all of its rights, security interests, liens, and causes of action against or related to the PB Materials Stock, including as against any transfer or proceeds thereof prior to the Petition Date." *Id.* § 5.6. The Plan went effective on September 20, 2025. *See Notice of Effective Date And Plan Deadlines*, Case No. 25-90001, Docket No. 548. Once again, Cornerstone was given no notice or opportunity to be heard.

D. Cornerstone Only Later Learns of the Bankruptcy Proceedings

41. Cornerstone was never served with notice of the chapter 11 cases or any motions filed, hearings that occurred, or orders that were entered in them, including, without limitation, the *Order Granting Motion to Approve Customized Notice of Bar Date and Proof of Claim Forms and Related Relief*, Case No. 25-90001 [Docket No. 98] (the "**Bar Date Order**") and the deadlines for filing proofs of claim set forth therein.

42. Cornerstone's lack of notice of the proceedings deprived it of the opportunity to defend its rights with respect to the Purchased Shares, to challenge the validity of the Purported Pledge, and to hold the Defendants accountable. Until now.

43. Cornerstone has only recently learned it has been the victim of an apparent fraud and associated wrongdoing perpetrated by the Debtor Defendants through their principal, Hoerauf, from which Prosperity seeks to improperly benefit. On information and belief, Cornerstone was deliberately kept in the dark by the Debtor Defendants to allow the fraud to continue, and by Prosperity in an effort to elevate its rights over Cornerstone's.

44. If Prosperity is allowed to assert its lien and cloud title to the Purchased Shares, Cornerstone estimates that it may suffer damages amounting to upwards of \$25 million. That should not be permitted. Instead, the Court should grant Cornerstone relief, declaring it owns the Purchased Shares free and clear, and that the Purported Pledge is invalid.

45. Alternatively, if Cornerstone is not entitled to such declarations, it should be granted leave to late file claims against the Debtor Defendants and other related relief, including revocation or alteration of the Confirmation Order. The Debtor Defendants deliberately deprived Cornerstone of notice, knowing full well, if not outright intending, that Cornerstone's interests could be jeopardized and they would be unjustly enriched. Because of the Defendants, Cornerstone was deprived of the opportunity to file proofs of claim or otherwise protect its rights. Cornerstone now asserts the following claims and requests related relief.

CAUSES OF ACTION

I. DECLARATION THAT CORNERSTONE SHARE SALE WAS VALID (28 U.S.C. §§ 2201, 2022; Fed. R. Bankr. P. 7001(b))

46. Cornerstone incorporates by reference all preceding paragraphs as if fully set forth herein.

47. Cornerstone seeks a declaratory judgment that it owns the Purchased Shares.

48. An actual and substantial controversy exists between Cornerstone and Defendants regarding the ownership and status of the Purchased Shares. Cornerstone asserts that it validly bought the Purchased Shares prior to the bankruptcy filing and that those shares

never became assets of the bankruptcy estates. Prosperity disputes this, contending that the share sale was invalid, apparently because it believes it has a lien on the Purchased Shares, its consent to the sale was required, and it did not provide that consent. Prosperity appears to be taking this position while also maintaining that the Cornerstone Share Sale Proceeds were assets of the estates and Prosperity's cash collateral. In other words, Prosperity wants to have its cake and to eat it too.

49. Cornerstone and the Defendants have an actual interest in the outcome of this dispute. As consideration for the Purchased Shares, Cornerstone paid the Cornerstone Share Sale Proceeds to the Debtor Defendants in exchange for title to the Purchased Shares free and clear of encumbrances. Prosperity maintains that it has an interest in the Purchased Shares notwithstanding this.

50. A resolution of this issue is necessary and appropriate at this time. Prosperity's contentions are clouding title to the Purchased Shares and threaten to inflict substantial damages on Cornerstone. Meanwhile, the Debtor Defendants, with the support of Prosperity, were permitted to confirm the Plan based on false pretenses, which Plan is now in the process of being consummated.

51. Despite any contentions by Defendants to the contrary, O'Ryan P&E clearly and indisputably elected to sell the Purchased Shares to Cornerstone.

52. The sale of the Purchased Shares to Cornerstone was conducted in accordance with the Stockholder Election Form and Cornerstone paid valid consideration to O'Ryan P&E, via O'Ryan Family LP, for the Purchased Shares.

53. The Purchased Shares were not listed as property of the Debtors' estates in the bankruptcy schedules, showing that the Debtors' themselves have acknowledged the sale was valid, although they and Prosperity may now dispute that.

54. Cornerstone seeks a declaration from this Court that:

- (a) O’Ryan P&E’s sale of the Purchased Shares to Cornerstone in December 2024 was valid and did not require Prosperity’s consent;
- (b) Cornerstone holds valid title to the Purchased Shares, free and clear of any purported lien held by Prosperity;
- (c) The Purchased Shares sold by O’Ryan P&E to Cornerstone in December 2024 are not and never were property of the bankruptcy estates; and
- (d) Any contrary claims by or on behalf of the Defendants to the Purchased Shares or any interest in them are invalid and unenforceable.

55. Entry of a declaratory judgment will serve a useful purpose by affording certainty regarding the respective rights of Cornerstone, Defendants, and any third parties in the Purchased Shares.

**II. DECLARATION THAT PROSPERITY’S PURPORTED LIEN IS INVALID
(28 U.S.C. §§ 2201, 2022; Fed. R. Bankr. P. 7001(b))**

56. Cornerstone incorporates by reference all preceding paragraphs as if fully set forth herein.

57. An actual, present, and justiciable controversy has arisen between Cornerstone and the Defendants regarding the validity of Prosperity’s purported lien on the PBM Shares, including the Purchased Shares and the Retained Shares. A declaration that Prosperity’s purported lien is invalid will serve a useful purpose insofar as it provides certainty regarding contested interests in the PBM Shares.

58. Under Delaware law, restrictions on transferring securities contained in a shareholder’s agreement are generally enforceable, including against any person with actual knowledge of the restriction.

59. Prosperity has asserted, and the Debtor Defendants have stipulated to the validity of, a lien on the PBM Shares.

60. On information and belief, Prosperity or, as applicable, its predecessor Lone Star, had actual knowledge that the PBM Shares that O’Ryan P&E purported to pledge were subject to Transfer Restrictions. Alternatively, Prosperity or, as applicable, Lone Star, had at

least constructive knowledge and acted in reckless disregard for the truth, including in failing to follow internal policies, which required an executed acknowledgement from PBM of the pledge, and failing to further investigate that defect and other suspicious circumstances, including the reference to a legend on the back of the stock certificate.

61. The Pledge Agreement between Lone Star, predecessor in interest to Prosperity, and O’Ryan P&E contained an acknowledgement form pursuant to which PBM, as issuer, was required to consent to and acknowledge the terms of the Pledge Agreement. PBM’s signature was never obtained. On information and belief, Lone Star and Prosperity declined to properly notify PBM and obtain its signature, in contravention of mandatory requirements, and in furtherance of an effort to feign ignorance of the Transfer Restrictions. Moreover, Lone Star and Prosperity failed to properly diligence O’Ryan P&E’s ability to pledge the shares even though PBM is a closely-held corporation and it is customary for shares in closely-held corporations to be subject to transfer restrictions.

62. Any ignorance on the part of Prosperity of the actual terms of the Transfer Restrictions was deliberate or reckless, and cannot render it an innocent party. The restrictions in the Original Stockholders’ Agreement are binding and the Purported Pledge was void *ab initio*. Accordingly, Cornerstone requests an order declaring that Prosperity’s purported lien against the PBM Shares obtained from O’Ryan P&E is invalid.

III. LEAVE TO LATE FILE CLAIMS AGAINST DEBTOR DEFENDANTS⁹
(11 U.S.C. §§ 105(a), 501, 502; Fed. R. Bankr. P. 3003(c), 9006(b)(1)); Fifth Amendment
to the United States Constitution)
(In the Alternative)

63. Cornerstone incorporates by reference all preceding paragraphs as if fully set forth herein.

⁹ True and correct copies of proposed proofs of claim (which may be updated or amended as appropriate), are attached as “**Exhibit H.**”

64. The Stockholder Election Form O’Ryan P&E submitted in connection with the sale to Cornerstone of the Purchased Shares, together with the execution of the Original Stockholders’ Agreement, the 2024 Stockholders’ Agreement, and other Cornerstone Transaction documents, created a valid and binding agreement between O’Ryan P&E and Cornerstone.

65. Cornerstone performed its obligations, including payment of the purchase price for the Purchased Shares in accordance with the instructions it received from O’Ryan P&E.

66. O’Ryan P&E’s Purported Pledge violated the Original Stockholders’ Agreement, which imposed strict Transfer Restrictions, including notice and consent requirements.

67. The Purported Pledge constituted a breach of the Original Stockholders’ Agreement, was void *ab initio*, and on information and belief, was part of a fraud orchestrated by Hoerauf and perpetuated through the Debtor Defendants.

68. O’Ryan P&E knew that the Purported Pledge was prohibited by the Original Stockholders’ Agreement.

69. As a result of O’Ryan P&E’s conduct, in which O’Ryan Family LP participated, Cornerstone has and will continue to incur substantial damages.

70. The Debtor Defendants excluded Cornerstone from notices provided throughout the bankruptcy case, including of the bar date and other relevant deadlines and proceedings, depriving Cornerstone of due process and preventing it from timely filing a proof of claim.

71. Under 11 U.S.C. §§ 501, 502, and 105, and Bankruptcy Rules 3003(c) and 9006(b)(1), and the Fifth Amendment to the United States Constitution, the Court may permit the late filing of a proof of claim for cause, including where the failure to file was the result of excusable neglect, or where necessary to ensure due process.

72. Because Cornerstone did not receive notice of the bar date or other related developments in the bankruptcy proceedings, due process requires that its claims not be considered untimely.

73. Alternatively, any failure to file a timely proofs of claim was the result of excusable neglect under Bankruptcy Rule 9006(b)(1). Here, the failure to file was due to the Debtors' lack of notice, and Prosperity's acquiescence, not any fault of Cornerstone, and Cornerstone has acted diligently and in good faith in pursuing its claims.

74. Accordingly, Cornerstone requests leave to file late proofs of claim for damages caused by the Debtor Defendants, and that such claims be deemed timely filed for all purposes.

**IV. RELIEF FROM THE CONFIRMATION ORDER AND RELATED RULINGS
(11 U.S.C. §§ 105(a), 1112(b), 1144; Fed. R. Civ. P. 60(b); Fed. R. Bankr. P. 9024)
(*In the Alternative*)**

75. Cornerstone incorporates by reference all preceding paragraphs as if fully set forth herein.

76. Under 11 U.S.C. § 1144, “[o]n request of a party in interest at any time before 180 days after the date of the entry of the order of confirmation, and after notice and a hearing, the court may revoke such order if and only if such order was procured by fraud.”

77. Federal Rule of Bankruptcy Procedure 9024 makes Federal Rule of Civil Procedure 60(b) applicable to bankruptcy cases, permitting relief from a final order or judgment for reasons including mistake, inadvertence, surprise, excusable neglect, fraud, misrepresentation, misconduct, or any other reason justifying relief.

78. The Debtor Defendants failed to disclose to Cornerstone the existence of the Purported Pledge before the share sale. The Debtor Defendants then used the Cornerstone Share Sale Proceeds for their benefit, including to fund the chapter 11 cases.

79. The Purported Pledge that O’Ryan P&E granted, which Prosperity now invokes, violated the Original Stockholders’ Agreement, which imposed strict Transfer Restrictions and required prior notice and consent for any pledge to be valid.

80. Hoerauf knew this and caused O’Ryan P&E to execute the Purported Pledge anyway. He also caused O’Ryan P&E to agree to the share sale to Cornerstone and O’Ryan Family LP to accept the Cornerstone Share Sale Proceeds. The Debtor Defendants profited from the proceeds and used them for their own benefit, including to fund the chapter 11 cases.

81. At no time in the bankruptcy proceedings did any of the Defendants disclose the Transfer Restrictions to the Court, advise the Court of Cornerstone’s interests, or provide notice to Cornerstone. But the Defendants did attempt to restrict Cornerstone’s rights through the bankruptcy proceedings, including through the Final Cash Collateral Order, the Bar Date Order, the Plan, and ultimately, the Confirmation Order.

82. The Defendants caused the Court to enter the Confirmation Order and related rulings without full and fair knowledge of the Transfer Restrictions that clearly prohibited Prosperity’s asserted lien, or of Cornerstone’s true interests in the Purchased Shares. The Defendants also purposefully declined to inform Cornerstone, in furtherance of their efforts to hide the true state of affairs from this Court.

83. Had Cornerstone known of the Purported Pledge and the bankruptcy proceedings, Cornerstone would have taken steps to protect its interests, including, but not limited to, objecting to confirmation. Defendants acts and omissions misled the Court and prevented Cornerstone from asserting its rights. Ultimately, Defendants’ misconduct caused the Court to confirm a Plan that allowed wrongdoing insiders to retain 100% of their equity, significantly improved Prosperity’s collateral position, and hung Cornerstone out to dry.

84. Defendants’ collective conduct gave rise to a fraud sufficient to warrant revocation of the Confirmation Order under section 1144 of the Bankruptcy Code or other relief

under Federal Rule of Civil Procedure 60(b) and Federal Rule of Bankruptcy Procedure 9024. Other relief that may be appropriate includes, but is not limited to, relief from the Final Cash Collateral Order, to the extent the Defendants assert any stipulations, provisions, other rulings therein are binding on Cornerstone, which Cornerstone denies. Cornerstone maintains it is able to challenge Prosperity's Claim and reserves all rights to do so.

85. The Defendants' conduct may also justify relief in the form of conversion or dismissal for cause under section 1112(b) of the Bankruptcy Code.

86. If the Court allows Cornerstone to late file claims, it is not clear whether or how the Debtors will be able make payments to general unsecured creditors as required under the Plan. On information and belief, the Plan may no longer be feasible as the Debtors would not be able to pay all claims in full as contemplated by the Plan. See Plan § 4.7. In such circumstances, conversion, dismissal, or other relief from this Court may be justified.

PRAYER FOR RELIEF

WHEREFORE, Cornerstone seeks judgment against Defendants, and requests relief from this Court, as follows:

- i. entry of declaratory judgment that the sale of the Purchased Shares to Cornerstone was valid;
- ii. entry of declaratory judgment that Prosperity's purported lien against the PBM Shares is invalid; or, in the alternative,
- iii. an order granting Cornerstone leave to late-file claims for damages against the Debtor Defendants;
- iv. revoking or otherwise granting Cornerstone relief from the Confirmation Order and any related rulings, including the Final Cash Collateral Order, that the Defendants may contend limit Cornerstone's rights; and
- v. any such other or further relief as the Court deems just and proper.

Respectfully submitted,

/s/ Blake A. Bailey

PHELPS DUNBAR, LLP

Blake A. Bailey (State Bar No. 01514700)
2102 E. State Highway 114, Suite 207
Southlake, Texas 76092
Telephone: (817) 305-0332
Email: blake.bailey@phelps.com
Facsimile: (817) 488-3214

WHITE & CASE LLP

Bojan Guzina (*pro hac vice* pending)
Erin R. Rosenberg (*pro hac vice* pending)
111 South Wacker Drive, Suite 5100
Chicago, Illinois 60606
Telephone: (312) 881-5400
Email: bojan.guzina@whitecase.com
erin.rosenberg@whitecase.com

Counsel for Plaintiff, Cornerstone Investment FCV LP

EXHIBIT A
(Original Stockholders' Agreement)

STOCKHOLDERS' AGREEMENT

by and among

PB MATERIALS HOLDINGS, INC.,

WLR RECOVERY FUND V, L.P.,

WLR V PARALLEL ESC, L.P.,

WLR SELECT CO-INVESTMENT, L.P.

AND

THE OTHER HOLDERS NAMED HEREIN

dated as of October 2, 2013

TABLE OF CONTENTS

Page

ARTICLE 1
DEFINITIONS

1.1	<u>Definitions</u>	1
1.2	<u>Rules of Construction</u>	10

ARTICLE 2
MANAGEMENT OF THE COMPANY AND CERTAIN ACTIVITIES

2.1	<u>Board of Directors</u>	11
2.2	<u>Other Activities of the Holders; Fiduciary Duties</u>	13
2.3	<u>Request for Sale of Company by WLR</u>	13

ARTICLE 3
REGISTRATION RIGHTS

3.1	<u>Registered Offering</u>	14
-----	---	----

ARTICLE 4
TRANSFERS OF SECURITIES

4.1	<u>Drag Along Rights</u>	14
4.2	<u>Tag Along Rights</u>	16
4.3	<u>Certain Events Not Deemed Transfers</u>	17
4.4	<u>Preemptive Rights</u>	17
4.5	<u>Transfer and Exchange</u>	18
4.6	<u>Replacement Securities</u>	19

ARTICLE 5
LIMITATION ON TRANSFERS

5.1	<u>Restrictions on Transfer</u>	19
5.2	<u>Restrictive Legends</u>	20
5.3	<u>Notice of Proposed Transfers</u>	21
5.4	<u>Right of First Refusal</u>	21

ARTICLE 6
CALL OPTION

6.1	<u>Call Option</u>	23
6.2	<u>Notice and Closing</u>	23
6.3	<u>Assignment</u>	23

ARTICLE 7
TERMINATION

7.1	<u>Termination of Agreement</u>	24
7.2	<u>Termination of Rights</u>	24

ARTICLE 8
MISCELLANEOUS

8.1	<u>Notices</u>	24
8.2	<u>Information Rights</u>	25
8.3	<u>Legal Holidays</u>	25
8.4	<u>Governing Law</u>	25
8.5	<u>Exclusive Jurisdiction</u>	25
8.6	<u>Successors and Assigns</u>	26
8.7	<u>Counterparts; Facsimile Signatures</u>	26
8.8	<u>Severability</u>	26
8.9	<u>No Waivers; Amendments</u>	26
8.10	<u>Transfer Taxes</u>	26
8.11	<u>Entire Agreement; Third Parties</u>	27
8.12	<u>Confidentiality</u>	27
8.13	<u>Enforcement</u>	27

SCHEDULE 1

1.1	<u>Demand Registration</u>	1
1.2	<u>Piggyback Registrations</u>	2
1.3	<u>Registration on Form S-3</u>	4
1.4	<u>Holdback Agreement</u>	4
1.5	<u>Registration Procedures</u>	5
1.6	<u>Suspension of Dispositions</u>	8
1.7	<u>Registration Expenses</u>	8
1.8	<u>Indemnification</u>	9

STOCKHOLDERS' AGREEMENT

This STOCKHOLDERS' AGREEMENT, dated as of October 2, 2013, is entered into by and among PB Materials Holdings, Inc. a Delaware corporation (including its successors, the "**Company**"), WLR Recovery Fund V, L.P., a Delaware limited partnership, WLR V Parallel ESC, L.P., a Delaware limited partnership, WLR Select Co-Investment, L.P., a Delaware limited partnership (together with WLR Recovery Fund V, L.P. and WLR V Parallel ESC, L.P., "**WLR**"), and the other holders of Securities (as defined below) listed on the signature pages hereof and any other Persons (as defined below) executing a joinder hereto after the date hereof, for the purposes of evidencing their obligations with respect to Securities in the Company.

WHEREAS, the Holders are the holders of all the issued and outstanding Securities.

WHEREAS, the Holders wish to regulate the terms of their relationship as owners of the Securities, upon the terms, and subject to the conditions, set forth in this Agreement.

In consideration of the premises, mutual covenants and agreements hereinafter contained and for the other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

1.1 **Definitions.**

"**Accredited Investor**" means an "Accredited Investor," as defined in Regulation D, or any successor rule then in effect.

"**Accredited Offeree**" shall have the meaning set forth in Section 4.4.2.

"**Acquiring Holder**" shall have the meaning set forth in Section 5.4.1.

"**Additional Securities**" shall have the meaning set forth in Section 4.4.1.

"**Advice**" shall have the meaning set forth in Clause 1.6 of the Schedule.

"**Affiliate**" means, with respect to any Person, any Person who, directly or indirectly, controls, is controlled by, or is under common control with the Person. For purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

"**Agreement**" means this Stockholders' Agreement, as it may be amended from time to time.

"**Authorization Date**" shall have the meaning set forth in Section 5.4.1.

"**Beneficially Own**" or "**Beneficially Owned**" shall refer to beneficial ownership as determined pursuant to Rule 13d-3 under the Exchange Act, or any successor rule then in effect.

"**Board**" or "**Board of Directors**" means the Board of Directors of the Company.

“Business Day” means a day that is not a Legal Holiday.

“Call Option” shall have the meaning set forth in Section 6.1.

“Call Option Period” shall have the meaning set forth in Section 6.2.

“Call Price” shall have the meaning set forth in Section 6.1.1.

“Cause”, with respect to a Person who is an Employee Holder and who is a party to a Services Agreement, has the meaning set forth in such Services Agreement. For any Person who is an Employee Holder and who is not a party to a Services Agreement or whose Services Agreement does not define “Cause”, “Cause” means any one or more of the following: (a) such Person’s conviction of, or entry of a plea of guilty, no contest or nolo contendere to, a felony or a crime involving moral turpitude; (b) such Person’s fraud, theft, dishonest acts, illegal conduct or other similar acts of material dishonesty; (c) such Person’s abuse of alcohol or use of controlled drugs (other than in accordance with a physician’s prescription) to an extent that it substantially interferes with the performance of his or her duties; (d) such Person’s willful engagement in any gross misconduct, or knowing violation of the applicable policies of the Company or any Subsidiary of the Company, which, in the case of misconduct or violations that are capable of being cured, are not cured to the reasonable satisfaction of the Board within fifteen (15) days following the Person’s receipt of written notice of such misconduct or violation; (e) if not cured within fifteen (15) days following receipt from the Company of written notice thereof, such Person’s material breach of this Agreement and any of the following agreements to which such Person (whether an Employee or his Employee Group) is a party: (i) the Purchase Agreement, or (ii) such Person’s Release executed in connection with the transactions contemplated by the Purchase Agreement; (f) such Person’s material breach of any duty owed to the Company, any Subsidiary of the Company if not cured within fifteen (15) days following receipt from the Company of written notice thereof; or (g) such Person’s commission of criminal perjury.

“Co-Seller” shall have the meaning set forth in Section 4.1.1.

“Common Stock” means the shares of common stock, par value \$0.001 per share, of the Company and any capital stock into which such Common Stock hereafter may be converted or changed.

“Common Stock Equivalents” means, without duplication with any other Common Stock or Common Stock Equivalents, any rights, warrants, options, convertible securities or indebtedness, exchangeable securities or indebtedness, or other rights, in each case to be issued or exercisable for or convertible or exchangeable into, directly or indirectly, Common Stock and securities convertible or exchangeable into Common Stock, whether at the time of issuance or upon the passage of time or the occurrence of some future event.

“Company” shall have the meaning set forth in the introductory paragraph hereof.

“Competitive Activities” shall mean, directly or indirectly, owning, establishing, managing, joining, operating, performing, engaging in, participating in, being employed by, controlling, working for, consulting with, rendering services for doing business with, maintaining any interest in (proprietary, financial or otherwise) or participating in the ownership establishment, management, operation or control of, any Competitive Business in the applicable Restricted Territory. For the purposes of this Agreement, the following activities shall not be deemed to be Competitive Activities: (i) investing in publicly-traded equity securities of a Competitive Business constituting less than two percent (2%) of the outstanding securities of such class, (ii) owning shares of stock or other equity securities in any mutual fund or to own less than five percent (5%) of the equity securities of a private equity or other

private investment fund that owns a Competitive Business. The Company further acknowledges and agrees that, with respect to OPE and its Permitted Transferees, such Person's involvement in the ownership, management and operation of the lines of business set forth on Schedule 6.1(c) to the applicable Purchase Agreements shall not be deemed to be Competitive Activities.

"Competitive Business" shall mean: (i) (A) any business that produces, designs, manufactures, sells, distributes, delivers or supplies ready-mix concrete, (B) any business that produces, mines, sells, distributes, delivers or supplies (i) limestone, sand and gravel aggregates for the construction industry or (ii) on-site crushed limestone for the oil and gas industry, or (C) any business that engages in sand, gravel, caliche or limestone crushing, processing, transport or sales, ready-mix concrete processing, transport or sales, or the manufacture and sale of pre-cast concrete bases for pumping units used in oil production, and (ii) any other business which the Company or the Subsidiaries, including Wallach Concrete, Inc., Highland Concrete Co., Crockett County Mining Venture No. 1, Ltd., and any subsidiaries of these entities (A) operates in or competes with as of the date hereof or on the then current date or (B) operated in or competed with during the twelve (12) months prior to the date hereof or the then current date.

"Competitive Call Business" shall mean: (A) any business that produces, designs, manufactures, sells, distributes, delivers or supplies ready-mix concrete, (B) any business that produces, mines, sells, distributes, delivers or supplies (i) limestone, sand and gravel aggregates for the construction industry or (ii) on-site crushed limestone for the oil and gas industry, or (C) any business that engages in sand, gravel, caliche or limestone crushing, processing, transport or sales, ready-mix concrete processing, transport or sales, or the manufacture and sale of pre-cast concrete bases for pumping units used in oil production.

"Community Property State" means any of Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, or Wisconsin.

"Crockett/Highland Designee" shall have the meaning set forth in Section 2.1.

"Crockett/Highland Holders" means any Holder (i) who is listed on Schedule 2.1.1(b), (ii) which is an entity whose equity interests are owned 100% by a Person listed on Schedule 2.1.1(b) or (iii) which is a trust 100% of whose beneficiaries (whether in the form of income or corpus, whether direct or indirect, whether actual or contingent) are Persons listed on Schedule 2.1.1(b).

"Demand Registration" shall have the meaning set forth in Clause 1.1.1(a) of the Schedule.

"Demand Request" shall have the meaning set forth in Clause 1.1.1(a) of the Schedule.

"Designee" shall have the meaning set forth in Section 2.1.

"Disposition" shall have the meaning set forth in Section 2.3.

"Election Notice" shall have the meaning set forth in Section 5.4.1.

"Employee" means an individual who is an employee of the Company or one or more Subsidiaries.

"Employee Group" means, with respect to any Employee, (a) such Employee; (b) such Employee's spouse; (c) any Affiliate of such Employee; (d) any trust or other entity in which any Person

described in clauses (a) through (c) is a beneficiary (whether in the form of income or corpus, whether direct or indirect, whether actual or contingent); (e) any successor or transferee of any Person described in any of clauses (a) through (d); and any subsequent successors and transferees of any Person described in clause (e).

“Employee Group Holder” means any Holder who or which is included in, or is a member of, an Employee Group.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the SEC thereunder.

“Excluded Registration” means a registration under the Securities Act of (a) Securities to effect a Qualified IPO if such registration only includes equity securities to be issued by the Company and does not include any equity securities for the account of any other security holder of the Company, (b) Securities registered on Form S-8 or any similar successor form and (c) Securities registered to effect the acquisition of or combination with another Person.

“Fair Market Value” of:

(a) any portion of the consideration set forth in a Transfer Notice delivered pursuant to Section 5.4.1 which is not cash, means the fair market value of such non cash consideration or property as agreed upon by the parties participating in the transaction pursuant to which the Transfer Notice was delivered or in connection with which such property needs to be valued. In the event that, within ten (10) Business Days after the date the Transfer Notice or other applicable written notice is delivered such parties cannot agree upon the fair market value of the property concerned, then, within five (5) Business Days after such ten Business Day period has expired, such parties shall select an independent appraiser, who will determine the fair market value of such property as of the date of the Transfer Notice or other applicable written notice. Such independent appraiser will determine the fair market value of such property within thirty (30) days following its appointment. If, within the five (5) Business Days provided for such parties to select an independent appraiser, such parties are unable to agree upon an independent appraiser, the Selling Holder, on the one hand, and the other Holders participating in the transaction, on the other hand, will, within five (5) Business Days after the first five Business Day selection period expires, each select an independent appraiser, and such independent appraisers together will select a third independent appraiser that will determine the fair market value of such property, whose determination of the fair market value of such property will be final and binding. Such third appraiser will have thirty (30) days following his selection to determine the fair market value of such property. All fees and expenses for any appraisers selected hereunder shall be borne equally (50:50) by the selling Holder and the other Holders participating in the applicable transaction. Notwithstanding the foregoing, if the property to be appraised is capital stock and the capital stock is then listed or admitted to trading on a national securities exchange or is traded in the Over the Counter Bulletin Board Market or any successor thereto, the Fair Market Value of each share of capital stock shall be equal to the average of the closing price of such capital stock for the twenty (20) consecutive trading days immediately preceding the date of the applicable Transfer Notice. The closing price for any day shall be the last reported sale price or, in case no such reported sale takes place on such day, the average of the highest closing bid and lowest closing asked prices regular way for such day, in each case (i) on the principal national securities exchange on which the shares of such capital stock are listed or to which such shares are admitted to trading or (ii) if such capital stock is not listed or admitted to trading on a national securities exchange, in the Over the Counter Bulletin Board Market.

(b) any Call Securities means the fair market value of such Call Securities as determined by the Board in good faith (i) as of the date of termination of such Employee Holder’s employment with

the Company or its Subsidiaries or (ii) as of, in the sole discretion of the Board, either the date a Holder became a Competitive Holder, or the date of notice of exercise of the Call Option. In the event that, within ten (10) Business Days after the Employee Holder's or Competitive Holder's (or their Permitted Transferees) receipt of written notice of the Company's (or its designee's) intention to purchase the Call Securities pursuant to the Call Option the Employee Holder or Competitive Holder, as applicable, delivers written notice to the Board of its objection to the Fair Market Value as determined by the Board, then the Company (or its designee), on the one hand, and the Employee Holder or Competitive Holder, on the other hand, shall select an independent appraiser, who will determine the Fair Market Value of the Call Securities within thirty (30) days following its appointment. If such parties are unable to agree upon an independent appraiser, the Company (or its designee), on the one hand, and the Employee Holder or Competitive Holder, on the other hand, will, within five (5) Business Days each select an independent appraiser, and such independent appraisers together will select a third independent appraiser that will determine the Fair Market Value of the Call Securities (provided, that (A) the Fair Market Value of any Call Securities held by such Holder and their respective Permitted Transferees that were issued in exchange for such Holder's Rollover Shares and any Additional Securities acquired by such Holder pursuant to Section 4.4.2 as a result of Holder's ownership of Rollover Shares shall be calculated without application of any discounts for minority ownership or lack of liquidity or marketability and (B) the Fair Market Value of all other Call Securities held by such Holder shall be calculated inclusive of any appropriate discounts for restrictions on transfer, disparate voting rights, minority ownership or lack of liquidity or marketability) within thirty (30) days following its appointment, which determination of the Fair Market Value of the Call Securities will be final and binding, absent manifest error. All fees and expenses for any appraisers selected hereunder shall be borne (i) by the Company if the appraiser establishes a Fair Market Value that is greater than one hundred and three percent (103%) of the Fair Market Value established by the Board, (ii) equally (50:50) by the Company and the Employee Group Holder or Competitive Holder, as applicable, if the appraiser establishes a Fair Market Value that is greater than or equal to ninety-seven percent (97%) and less than or equal to one hundred and three percent (103%) of the Fair Market Value established by the Board, or (iii) by the Employee Group Holder or Competitive Holder, as applicable, if the appraiser established a Fair Market Value that is less than ninety-seven percent (97%) of the Fair Market Value established by the Board.

"FINRA" shall have the meaning set forth in Clause 1.5(xiv) of the Schedule.

"Fully Diluted Common Stock" means, at any time, the then outstanding Common Stock plus (without duplication) all shares of Common Stock issuable, whether at such time or upon the passage of time or the occurrence of future events, upon the exercise, conversion or exchange of all then outstanding Common Stock Equivalents.

"GAAP" shall have the meaning set forth in Section 8.2.1.

"Governmental Authority" means any domestic or foreign government or political subdivision thereof, whether on a Federal, state or local level and whether executive, legislative or judicial in nature, including any agency, authority, board, bureau, commission, court, department or other instrumentality thereof.

"Holder" means (a) a holder of Securities listed on the signature page hereof, (b) any direct or indirect transferee of any such holder who shall become a party to this Agreement in accordance with Article 5, and (c) any Person executing a joinder as contemplated pursuant to the first paragraph of this Agreement and Section 8.9.

"Immediate Family" means the spouse of an individual and the grandparents, parents, siblings and children (and children and spouses of any of the foregoing) of the individual or his or her

spouse. An adopted child will be treated as a child of his or her adoptive parent or parents (but only if the child was adopted before he or she reached twenty-one (21) years of age).

“Inspectors” shall have the meaning set forth in Clause 1.5(x) of the Schedule.

“Legal Holiday” shall have the meaning set forth in Section 8.3.

“Lien” means any of the following: mortgage; lien (statutory or other); other security agreement, arrangement or interest; hypothecation, pledge or other deposit arrangement; assignment; charge; levy; executory seizure; attachment; garnishment; encumbrance (including any easement, exception, reservation or limitation, right of way, and the like); conditional sale, title retention, voting agreement or other similar agreement, arrangement, device or restriction; preemptive or similar right; the filing of any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction; restriction on sale, transfer, assignment, disposition or other alienation; or any option, equity, claim or right of or obligation to, any other Person, of whatever kind and character.

“Line of Permitted Transferees” means, with respect to any Holder, (i) any Permitted Transferee of such Holder, (ii) any Permitted Transferee of any Person set forth in clause (i), and (iii) any other Permitted Transferee whose Securities can ultimately be tracked back through one or more other Permitted Transferees to such Holder.

“Marketable Securities” means securities which (a) are of a class that is listed or quoted on the New York Stock Exchange or quoted or listed on any other national securities exchange or the Over-the-Counter Bulletin Board, (b) are eligible for sale by the holder pursuant to a registration statement effective under the Securities Act or (c) the holder has an existing right to cause to be registered under the Securities Act pursuant to a Registration Statement on a Form S-3.

“Material Adverse Effect” shall have the meaning set forth in Clause 1.1.4 of the Schedule.

“Moving Party” shall have the meaning set forth in Section 8.14.

“Non-Transferring Holder” shall have the meaning set forth in Section 5.4.1.

“Non-WLR Group Holder” means any Holder that is not a member of the WLR Group.

“Non-WLR Notice Recipient” shall have the meaning set forth in Section 4.4.2.

“Offer Notice” shall have the meaning set forth in Section 4.4.1.

“Offered Securities” shall have the meaning set forth in Section 5.4.1.

“OPE” means O’Ryan Production and Exploration, Ltd., a Texas limited partnership.

“Participation Offer” shall have the meaning set forth in Section 4.2.1.

“Permanent Disability” shall mean any illness or physical or mental disability, incapacity, or condition (from any cause or causes whatsoever) as the result of which an Employee becomes qualified to receive long-term disability benefits or the equivalent under a plan or program providing such benefits maintained by the Company or any Subsidiary. In the event the Company or any Subsidiary do not maintain a plan or program of long-term disability benefits or the equivalent, then

Permanent Disability shall mean any such illness, disability, incapacity, or condition that, in the written opinion of a medical expert reasonably acceptable to the Board, renders the Employee unable in any material respect to perform his or her duties as an Employee or as assigned by the Board, with or without reasonable accommodation, for more than one hundred eighty (180) days in any three hundred sixty (360) day period.

“Permit” means (a) any approval, permit, license, certificate, franchise, permission, clearance, registration, qualification, consent, or other authorization issued, granted or given by or under the authority of any Governmental Authority or pursuant to any law, (b) any right under any contract with any Governmental Authority, or (c) any of the foregoing that is required under applicable law for the conduct of the business of the Company or any Subsidiary.

“Permitted Transfer” means, for any Holder (whether a WLR Group Holder or a Non-WLR Group Holder), any Transfer (a) with respect to a Holder who is an individual, to a member of the Immediate Family of such Holder, to a trust whose sole beneficiaries are such Holder or members of the Immediate Family of such Holder or to a Person the outstanding equity interests of which are owned entirely by such Holder or members of the Immediate Family of such Holder; (b) with respect to a Holder that is a trust, to any beneficiary of the trust or any member of the Immediate Family of a beneficiary of the trust; (c) with respect to the WLR Group, (i) to any Affiliate of a Holder, (ii) to another member of the WLR Group, or (iii) pursuant to a pledge to secure indebtedness; provided, that, the pledgee agrees in writing that the Securities subject to such Transfer shall be subject to the terms hereof; (d) upon the death of a Holder, to such Holder’s executors, administrators, testamentary trustees, legatees or beneficiaries, except as provided in and subject to satisfaction of Article 6 in the case of an Employee’s Terminated Holder Group; (e) with respect to the Crockett/Highland Holders, to any other Crockett/Highland Holder who was a Holder as of the Closing Date, (f) by a Holder pursuant to the provisions of Sections 2.3, 4.1, 4.2 or Article 6; (g) pursuant to a merger, consolidation, share exchange, scheme of arrangement, refinancing or recapitalization or other similar transaction by the Company or pursuant to an agreement to which the Company is a party; provided, that, the Holders shall have the rights set forth in Sections 4.1 and 4.2 with respect to any such transaction; and (h) by a Holder pursuant to a public offering registered under the Securities Act or pursuant to Rule 144 promulgated under the Securities Act; provided, that, in the case described in each of clauses (a) through (d) above, the proposed transferee shall (x) execute and deliver to the Company a written agreement pursuant to which such transferee agrees to be bound by this Agreement and (y) certify to the reasonable satisfaction of the Company that such transferee is an Accredited Investor; provided further, that, in the case described in clause (a) above, it is understood, acknowledged, and agreed that Transfers to a spouse in connection with, in, or incidental to a divorce proceeding or settlement shall not be Permitted Transfers and any such Transfer, whether voluntary or involuntary, shall be subject to the Transfer restrictions set forth in Article V; and provided further, that in all cases, with respect to any Holder who is a Seller Indemnitor under any Purchase Agreement, any Person within such Holder’s Line of Permitted Transferees shall take any and all Securities subject to the indemnity payment obligations of such Seller Indemnitor, including the forced transfer of such Securities to satisfy such indemnity payment obligations, as set forth in Section 7.5(b) of each Purchase Agreement.

“Permitted Transferee” means, with respect to any Holder, any Person who is the recipient of a Permitted Transfer from such Holder.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof.

“Preemptive Rights Offer” shall have the meaning set forth in Section 4.4.1.

“Preemptive Rights Transaction” shall have the meaning set forth in Section 4.4.1.

“Preferred Stock” means any shares of preferred stock of the Company that may be authorized from time to time.

“Proportionate Share” shall have the meaning set forth in Section 5.4.1.

“Purchase Agreements” means (i) that certain Securities Purchase Agreement by and among Wallach Concrete, Inc., a New Mexico corporation, Permian Basin Materials, LLC, a Delaware limited liability company and wholly-owned subsidiary of the Company (**“Purchaser”**), Robert Tyler Wallach Separate Property Trust, a trust formed under the laws of the State of New Mexico, Sara Elizabeth Wallach Separate Property Trust, a trust formed under the laws of the State of New Mexico, Bryce William Wallach Separate Property Trust, a trust formed under the laws of the State of New Mexico, Robert Ray Wallach, both individually and in his capacity as the sellers’ representative, and the other parties thereto, (ii) that certain Securities Purchase Agreement, by and among Highland Concrete Co., a Texas corporation, Purchaser, Larry Bates, Ryan Hoerauf, both individually and in his capacity as the sellers’ representative, Amber Gill (formerly known as Amber Hoerauf), Matthew Hoerauf, Dan Arnold, Shawna Arnold, and the other parties thereto, and (iii) that certain Securities Purchase Agreement, by and among Crockett County Mining Venture No. 1, Ltd., a Texas limited partnership, Purchaser, PBM Crockett GP, LLC, a Delaware limited liability company and wholly-owned subsidiary of the Company (**“PBM GP”**), Crockett County Mining, L.L.C., a Texas limited liability company, Larry Bates, O’Ryan Production and Exploration, Ltd., a Texas limited partnership, and Ryan Hoerauf, in his capacity as the sellers’ representative and the other parties thereto.

“Qualified IPO” means a firm commitment underwritten public offering of Common Stock for cash pursuant to an effective registration statement under the Securities Act in respect of which the aggregate proceeds to the Company (prior to deducting any underwriters’ discounts and commissions) from such offering and any similar prior public offerings equal or exceed \$20,000,000 and resulting in a total market capitalization for the Company of \$75,000,000.

“Records” shall have the meaning set forth in Clause 1.5(x) of the Schedule.

“Registrable Shares” means at any time (a) the Common Stock owned by the Holders and (b) Common Stock issuable pursuant to or upon exercise, conversion or exchange of Common Stock Equivalents owned by the Holders whether owned on the date hereof or acquired hereafter; provided, that, Registrable Shares shall not include any shares (i) the sale of which has been registered pursuant to the Securities Act and which shares have been sold pursuant to such registration or (ii) which have been sold or which may be sold without limitation with respect to volume or manner of sale pursuant to Rule 144 under the Securities Act.

“Registration Expenses” shall have the meaning set forth in Clause 1.7 of the Schedule.

“Regulation D” means Regulation D promulgated under the Securities Act by the SEC.

“Requesting Holders” shall have the meaning set forth in Clause 1.1.5 of the Schedule.

“Required Filing Date” shall have the meaning set forth in Clause 1.1.1(b) of the Schedule.

“Required Governmental Approvals” means any approval, permit, license, certificate, franchise, permission, clearance, registration, qualification or other authorization issued, granted, given,

or otherwise made available by or under the authority of any Governmental Authority or similar body, including the termination or expiration of any waiting period (and any extension thereof) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

“Required Holders” means Holders who then Beneficially Own a majority of the aggregate number of shares of Common Stock and Common Stock Equivalents (without duplication) subject to this Agreement.

“Required S-3 Filing Date” shall have the meaning set forth in Clause 1.3.1(b) of the Schedule.

“Restricted Territory” means (x) with respect to any Competitive Business that supplies products or services to, or otherwise conducts business with, any Person in the oil and gas services industry, in all states within the United States and (y) with respect to any other Competitive Business, within the States of Texas, New Mexico, Oklahoma, Louisiana, Arkansas, Arizona, Utah or Colorado, and any other state in which the Company or the Subsidiaries operates or competes as of the date hereof or on the then current date operated in or competed with during the twelve (12) months prior to the date hereof or the then current date.

“Rollover Shares” means those shares defined as “Parent Shares” in the applicable Purchase Agreement.

“S-3 Registration” shall have the meaning set forth in Clause 1.3.1(a) of the Schedule.

“S-3 Request” shall have the meaning set forth in Clause 1.3.1(a) of the Schedule.

“Sale” shall have the meaning set forth in Section 4.2.1.

“Schedule” means Schedule 1 attached hereto.

“SEC” means the Securities and Exchange Commission.

“Security” or **“Securities”** means issued and outstanding shares of Common Stock, Preferred Stock and Common Stock Equivalents, whether owned on the date hereof or hereafter acquired.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated by the SEC thereunder.

“Seller Affiliates” shall have the meaning set forth in Clause 1.8.1 of the Schedule.

“Selling Member” shall have the meaning set forth in Section 4.1.1.

“Services Agreement” means any agreement or arrangement pursuant to which a Person is employed by or provides any services to the Company or a Subsidiary of the Company including without limitation, the Employment Agreements to be entered into by the Company or a Subsidiary with the persons listed on Exhibit A hereto.

“Significant Sale” shall have the meaning set forth in Section 4.1.1.

“Subsidiary” means (a) a corporation, limited liability company or limited partnership, a majority of whose outstanding shares of capital stock with voting power, under ordinary circumstances, to elect directors, is at the time, directly or indirectly, owned by the Company or one or more direct or

indirect subsidiaries of the Company and (b) any other Person (other than a corporation) in which the Company or one or more direct or indirect subsidiaries of the Company, directly or indirectly, at the date of determination thereof, has (i) at least a majority ownership interest or (ii) the power to elect or direct the election of the directors or other governing body of such Person.

“Suspension Notice” shall have the meaning set forth in Clause 1.6 of the Schedule.

“Transfer” means (a) any direct or indirect sale, transfer, pledge, hypothecation, assignment, gift, conveyance or other disposition of any direct or indirect legal or beneficial rights or interest as to any Security (including any interest in the property that is the subject of the Transfer, the creation of any Lien, or the granting or maintenance of any proxy, voting right, participation, cash flow, derivative, option, or hedge), or (b) any entry into an agreement or understanding with respect to the foregoing; provided, that, a merger or consolidation involving the Company in which the Company does not survive shall not be a Transfer if the stockholders of the Company immediately before the merger or consolidation own at least fifty percent (50%) of the outstanding capital stock of the entity that survives the merger or consolidation.

“Transfer Notice” shall have the meaning set forth in Section 5.3.

“Transferring Holder” shall have the meaning set forth in Section 5.4.1.

“Wallach Designee” shall have the meaning set forth in Section 2.1.

“Wallach Holders” means any Holder (i) who is listed on Schedule 2.1.1(a), (ii) which is an entity whose equity interests are owned 100% by a Person listed on Schedule 2.1.1(a) or (iii) which is a trust 100% of whose beneficiaries (whether in the form of income or corpus, whether direct or indirect, whether actual or contingent) are Persons listed on Schedule 2.1.1(a).

“WLR” shall have the meaning set forth in the introductory paragraph hereof.

“WLR Group” means WLR and its Affiliates, and WLR’s and its Affiliates’ respective directors, managers (of such Persons that are limited liability companies), stockholders, partners and members (of such Persons that are limited liability companies), in each case other than Persons that may be deemed Affiliates of WLR solely due to their relationship with the Company.

“WLR Group Designees” shall have the meaning set forth in Section 2.1.1.

“WLR Group Holders” means Holders who are members of the WLR Group.

“WLR Notice Recipients” shall have the meaning set forth in Section 4.4.1.

1.2 **Rules of Construction.** Unless the context otherwise requires:

1.2.1 a term has the meaning assigned to it;

1.2.2 “or” is not exclusive and means “and / or”;

1.2.3 words in the singular include the plural, and words in the plural include the singular;

1.2.4 pronouns shall be deemed to refer to the masculine, feminine or neuter gender as the identity of the applicable Person may require;

1.2.5 provisions apply to successive events and transactions;

1.2.6 the word “including” (in its various forms) means “including, without limitation;”

1.2.7 [intentionally omitted]

1.2.8 references to Sections, subsections and other subdivisions refer to Sections, subsections and other subdivisions of this Agreement unless expressly provided otherwise; and

1.2.9 “herein,” “hereof” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision.

ARTICLE 2 MANAGEMENT OF THE COMPANY AND CERTAIN ACTIVITIES

2.1 **Board of Directors.**

2.1.1 **Board Composition.** Subject to Sections 2.1.3 and 7.1, the number of directors constituting the Board of Directors of the Company shall be as determined from time to time by the WLR Group. Of the Board members from time to time serving, (i) the WLR Group shall be entitled to designate or appoint up to five (5) directors (the “**WLR Group Designees**”); (ii) the Wallach Holders shall be entitled to designate or appoint one (1) director (the “**Wallach Designee**”); provided that the Wallach Holders collectively hold at least (A) two and half percent (2.5%) of the Fully Diluted Common Stock and (B) that number of Securities equal to at least fifty percent (50%) of the amount equal to the sum of (x) the number of Securities held by the Wallach Holders as of the effective date of this Agreement, plus (y) the total maximum number of Securities that could have been purchased by the Wallach Holders pursuant to their preemptive rights contained in Section 4.4 or any successor provision (whether or not the Securities were actually purchased); (iii) the Crockett/Highland Holders shall be entitled to designate or appoint one (1) director (the “**Crockett/Highland Designee**,” and together with the WLR Group Designees and the Wallach Designee, the “**Designees**”); provided that the Crockett/Highland Holders collectively hold at least (A) two and half percent (2.5%) of the Fully Diluted Common Stock and (B) that number of Securities equal to at least fifty percent (50%) of the amount equal to the sum of (x) the number of Securities held by the Crockett/Highland Holders as of the effective date of this Agreement, plus (y) the total maximum number of Securities that could have been purchased by the Crockett/Highland Holders pursuant to their preemptive rights contained in Section 4.4 or any successor provision (whether or not the Securities were actually purchased); and (iv) the remaining directors, if any, shall be elected by a majority vote of the holders of Securities entitled by their terms to vote, voting together as a single class, for election to the Board of Directors. Notwithstanding any increase or decrease in the number of directors of the Company, the WLR Group Designees shall at all times constitute a majority of the Board. The WLR Group Designees initially shall include Stephen Toy, Patrick J. Machir and Wilbur L. Ross, Jr., with the remaining two (2) director positions to remain vacant until such time as the WLR Group shall designate or appoint persons to fill such director positions; the Wallach Designee initially shall be Robert R. Wallach; and the Crockett/Highland Designee initially shall be Ryan Hoerauf. Each Holder shall vote his or its Securities at any regular or special meeting of stockholders of the Company or in any written consent executed in lieu of such a meeting of stockholders and shall take all other actions necessary to give effect to the agreements contained in this Agreement (including the election of the WLR Group Designees) and to ensure that the certificate of incorporation and bylaws as in effect immediately following the date hereof do not, at any time thereafter, conflict in any respect with the provisions of this Agreement. In order to effectuate the provisions of this Section 2.1.1, each Holder hereby agrees that when any action or vote is required to be taken by such

Holder pursuant to this Agreement, such Holder shall use his or its best efforts to call, or cause the appropriate officers and directors of the Company to call, a special or annual meeting of stockholders of the Company, as the case may be, or execute or cause to be executed a consent in writing in lieu of any such meetings pursuant to Section 228(a) of the General Corporation Law of the State of Delaware. Nothing in this Agreement shall require any Holder to vote for the election of any Person to the Board of Directors who has been convicted of a felony or who has been found guilty in civil proceedings by a court of competent jurisdiction of any act involving fraud, deceit, or deceptive or unfair trade practices. To the extent that (i) the Wallach Holders do not have the right to appoint the Wallach Designee and collectively hold forty percent (40%) or more of the initial Securities held by the Wallach Holders as of the date hereof, or (ii) the Crockett/Highland Holders do not have the right to appoint the Crockett/Highland Designee and collectively hold forty percent (40%) or more of the initial Securities held by the Crockett/Highland Holders as of the date hereof, then the Wallach Holders or Crockett/Highland Holders, as applicable, shall have the right to designate one observer. Each observer shall have the right to attend meetings of the Board of Directors, the board of directors or similar body of each material Subsidiary and any committee of the Board of Directors or any of such Subsidiaries' boards (all such meetings are referred to herein as "**Corporate Meetings**"). The Company shall take all such necessary action to cause each material Subsidiary to comply with the foregoing requirement as provided herein. The Holders designating such observer shall have the right to replace such observer by written notice to the Company (such replacement shall be effective immediately upon receipt of such notice). Each observer shall be entitled to notice of all Corporate Meetings and distributions of all Corporate Meeting materials (including any actions by written consent) in the same manner and at the same time as such notices and materials are provided to the applicable board members and shall be entitled to attend all Corporate Meetings (including any executive sessions of such meetings), but not to vote on any matters thereat. Each observer agrees to hold in confidence and trust all information so provided to him or her or learned by him or her in connection with his or her rights hereunder, and to be subject to any confidentiality obligations applicable to board members in their capacity as such, except to the extent otherwise required by law and any other regulatory process to which such observer is subject. The Company and each Subsidiary reserve the right to withhold any information or to exclude any observer from any meeting or portion thereof if, in the opinion of counsel to the Company, access to such information or attendance at such meeting would compromise the attorney-client privilege between the Company or any of its Subsidiaries and their respective counsel.

2.1.2 Vacancies. If, prior to his or her election to the Board of Directors of the Company pursuant to Section 2.1.1, any Designee shall be unable or unwilling to serve as a director of the Company, the group of Holders entitled to designate such Designee pursuant to Section 2.1.1 shall be entitled to nominate a replacement who shall then be a Designee of such group for purposes of this Section 2.1. If, following an election to the Board of Directors of the Company pursuant to Section 2.1.1, any Designee shall resign, be removed or be unable to serve for any reason prior to the expiration of his or her term as a director of the Company, the group of Holders entitled to designate such Designee pursuant to Section 2.1.1 may (but shall not be required to), within thirty (30) days of such event, notify the Board of Directors of the Company in writing of a replacement Designee, and either (a) the Holders shall vote their shares of Securities, at a regular or special meeting that shall be called for the purpose of filling positions on the Board of Directors of the Company or in any written consent executed in lieu of such a meeting of stockholders, and shall take all such other actions necessary to ensure the election to the Board of Directors of the Company of such replacement Designee to fill the unexpired term of the Designee who such new Designee is replacing or (b) the Board of Directors shall elect such replacement Designee to fill the unexpired term of the Designee who such new Designee is replacing. If a group of Holders entitled to designate a Designee pursuant to Section 2.1.1 requests that any such Designee be removed as a director (with or without Cause) by written notice thereof to the Company, then the Company shall take all actions necessary to effect, and each of the Holders shall vote all its shares of Securities in favor of, such removal upon such request.

2.1.3 Proxies; Agreements among Holders. No Holder shall grant any proxy or enter into or agree to be bound by any voting agreement or voting trust with respect to voting any Securities, except as provided herein. No Holder shall enter into any stockholder agreement or arrangement of any kind with any Person with respect to any Securities inconsistent with the provisions of this Agreement (whether or not such agreements and arrangements are with other Holders or any other holders of Securities that are not bound by this Agreement).

2.1.4 Costs and Expenses. The Company will pay or reimburse all reasonable out-of-pocket expenses incurred by each member of the Board of Directors in connection with their participation in meetings of the Board of Directors (and committees thereof) of the Company. The Company shall pay or reimburse WLR for all Reimbursable Expenses (either exclusively relating to the Company and the Subsidiaries or jointly with respect to multiple entities, in which case WLR shall invoice the Company for its aggregate allocable portion of such expenses). As used in this Agreement, the term “**Reimbursable Expenses**” means all reasonable disbursements and out-of-pocket expenses (including fees and expenses of third party lenders and other third party financing sources; fees and expenses of attorneys, accountants, and other professionals; airfare, lodging, and other travel or transportation expenses; entertainment expenses; board expenses; postage, couriers, and other communication charges; filing fees and other organizational or recordation expenses; and so forth) reasonably incurred by WLR or the WLR Group for the account of the Company or the Subsidiaries or in connection with the WLR Group’s ownership of Securities and, if applicable, Additional Securities, or the provision of advice or monitoring or other services by the WLR Group to the Company and the Subsidiaries. WLR or the WLR Group will not charge the Company or its Subsidiaries management fees or equity or debt placement fees.

2.2 Other Activities of the Holders; Fiduciary Duties. It is understood and accepted that the WLR Group Holders and their Affiliates have interests in other business ventures which may be in conflict with the activities of the Company or any Subsidiary and that, subject to applicable law, nothing in this Agreement shall limit the current or future business activities of the WLR Group Holders whether or not such activities are competitive with those of the Company or any Subsidiary. Nothing in this Agreement, express or implied, shall relieve any officer or director of the Company or any Subsidiary, or any WLR Group Holder, of any fiduciary or other duties or obligations they may have to the Company’s stockholders or any obligations under any employment agreement or other agreement with the Company or any Subsidiary.

2.3 Request for Sale of Company by WLR. Notwithstanding anything to the contrary contained in this Agreement other than the provisions of Section 7.1, at any time after the date of this Agreement, the WLR Group shall have the right, but shall in no event be required, to cause the Company to effect a sale of all outstanding equity securities of the Company by way of a sale of securities, exchange, merger or consolidation of the Company with a third party not Affiliated with any one or more members of the WLR Group (a “**Disposition**”) for consideration consisting of cash, securities or a combination of cash and securities. If the WLR Group elects to exercise its right to require a Disposition, it shall deliver a written notice of such election to the Company and each of the Holders. To the extent necessary in order to consummate such Disposition, each Holder hereby agrees to vote all of its or his Securities in favor of such Disposition upon the request of the WLR Group. Notwithstanding anything to the contrary contained herein, each of the Holders shall receive the same consideration for each of the Securities it then Beneficially Owns as the WLR Group receives for its Securities in such Disposition; provided, that the purchase price payable for securities of a Holder that are not the same as the Securities being sold by the WLR Group shall be adjusted, as appropriate, to reflect the comparative economics of such securities; provided, further, that no Holder shall be required to make any representations or warranties in connection with such Disposition other than representations and warranties as to (a) such Holder’s ownership of its Securities to be Transferred being free and clear of all Liens other than as

provided for in this Agreement, (b) such Holder's power and authority to effect such Transfer and (c) such matters pertaining to such Holder with respect to compliance with securities laws as the purchaser may reasonably require; provided further, that if the consideration to be received by the members of the WLR Group includes any securities, then, unless WLR and the transferee both reasonably determine that an exemption is otherwise available under the Securities Act and all applicable state securities laws for such transaction, only Holders who have certified to the reasonable satisfaction of the WLR Group that they are Accredited Investors shall be entitled to participate in such Transfer, unless the transferee consents otherwise. Any obligations of the Holders arising under the definitive documentation for such Disposition shall relate to the representations and warranties described above and to any post closing indemnification or similar post closing obligations (other than for any representations or warranties described above that are given by other Holders) imposed upon members of the WLR Group and shall be in proportion to and several, not joint and several, and in an amount no greater than the consideration received by such Holder in such Disposition. In no event shall any Holder be required to sell any Securities if the sale thereof would be in violation of any law, rule, regulation, statute or order of any Governmental Authority. The rights of the WLR Group under this Section 2.3 shall terminate at such time as the right of the WLR Group to designate directors under Section 2.1.1 terminates in accordance with Section 2.1.3. Each party shall bear its own costs and expenses in connection with a sale of the Company to which this Section 2.3 applies, except that the Company shall pay the cost of one counsel selected by the Holders other than the WLR Group to represent such Holders in confirming that the sale of the Company pursuant to this Section 2.3 and the documentation related to such sale of the Company complies with the terms of this Agreement. For the avoidance of doubt, the foregoing shall not restrict any Holder from separately engaging (and paying the expenses of) counsel to represent such Holder in connection with a sale of the Company to which this Section 2.3 applies.

ARTICLE 3 REGISTRATION RIGHTS

3.1 **Registered Offering.** The provisions set out in the Schedule shall govern the rights and obligations of the parties hereto with respect to the registration of shares of Securities.

ARTICLE 4 TRANSFERS OF SECURITIES

4.1 **Drag Along Rights.**

4.1.1 **Applicability.** In connection with any Transfer to a third party not Affiliated with any one or more members of the WLR Group in an arm's length transaction for consideration (other than a Permitted Transfer) by one or more members of the WLR Group (collectively, a "**Selling Member**") of Securities, directly or indirectly, in one or a series of related transactions, representing more than forty percent (40%) of the Fully Diluted Common Stock then held by the WLR Group (a "**Significant Sale**"), the Selling Member shall have the right, but shall in no event be required, subject to Section 5.4, to require each non-selling Holder (each, a "**Co-Seller**") to Transfer, and each Co-Seller shall be required to Transfer, a portion of such Co-Seller's Securities which represents the same percentage of the total Fully Diluted Common Stock held by such Co-Seller as the Securities being disposed of by the Selling Member represents of the total Fully Diluted Common Stock held by the WLR Group, such Securities to be Transferred free and clear of all Liens, other than as provided for in this Agreement. If a Significant Sale also involves the Transfer by a Selling Member of Preferred Stock, then this Section 4.1 shall apply *mutatis mutandis* to such Significant Sale. All Securities Transferred by Co-Sellers pursuant to this Section 4.1.1 shall be sold at the same price and otherwise treated identically with the Securities being sold by the Selling Member in all respects; provided, that, in applying this Section 4.1, the Selling Member's rights hereunder shall first be applied to Securities of a Co-Seller that are the same as the

Securities being Transferred by the Selling Member and then, to the extent that like Securities are insufficient to satisfy such Co-Seller's obligations hereunder, to the other Securities of such Co-Seller (after exercise, exchange or conversion into shares of Common Stock); provided, further, that the purchase price payable for Securities of a Co-Seller that are not the same as the Securities being sold by the Selling Member shall be adjusted, as appropriate, to reflect the comparative economics of such Securities; and provided, further, that the Co-Seller shall not be required to make any representations or warranties in connection with such Transfer other than representations and warranties as to (a) such Co-Seller's ownership of its Securities to be Transferred being free and clear of all Liens other than as provided for in this Agreement, (b) such Co-Seller's power and authority to effect such Transfer, (c) such matters pertaining to compliance with securities laws as the transferee may reasonably require, and (d) such other matters as are reasonably represented and warranted by the Selling Member; provided further, that if the consideration to be received by the Selling Member includes any securities, then, unless WLR and the transferee both reasonably determine that an exemption is otherwise available under the Securities Act and all applicable state securities laws for such transaction, only Co-Sellers who have certified to the reasonable satisfaction of the WLR Group that they are Accredited Investors shall be entitled to participate in such Transfer, unless the transferee consents otherwise. The Company shall pay the cost of one counsel selected by the Holders other than the WLR Group to represent them in connection with a sale of the Company to which this Section 4.1 applies for the limited purpose of confirming that such sale and the related documentation complies with this Agreement. For the avoidance of doubt, the foregoing shall not be deemed to prohibit any Holder from separately engaging (and paying the expenses of) counsel to represent such Holder in connection with a sale of the Company to which this Section 4.1 applies.

The obligations of the Co-Sellers pursuant to this Section 4.1.1 are also subject to the satisfaction of the following conditions: (i) if any Holders of a class are given an option as to the form and amount of consideration to be received, all Holders of such class shall be given the same option, (ii) each of the WLR Group, the Company and the Co-Sellers shall bear its own costs and expenses in connection with a Significant Sale to which this Section 4.1 applies and (iii) any obligations of the Co-Sellers other than the WLR Group arising under the definitive documentation for such Significant Sale shall relate to the representations and warranties described above and to any post closing indemnification or similar post closing obligations imposed upon members of the WLR Group and shall be in proportion to and several, not joint and several, and in an amount no greater than the consideration received by such Co-Seller in such Significant Sale with respect to matters addressed therein.

4.1.2 Notice of Significant Sale. The Selling Member shall give each Co-Seller at least twenty (20) days' prior written notice of any Significant Sale as to which the Selling Member intends to exercise its rights under this Section 4.1 and such notice shall include (a) the material terms and conditions of the Significant Sale, including the purchase price per share, (b) the expected closing date of the Significant Sale, and (c) a copy of a draft of the proposed purchase agreement, if then available (and if not then available, the Selling Member shall provide a copy of such draft as soon as it becomes available). If a Selling Member elects to exercise its rights under this Section 4.1, the Co-Sellers shall take such actions as may be reasonably required and otherwise cooperate in good faith with the Selling Member in connection with consummating the Significant Sale (including the voting of Securities to approve such Significant Sale). At the closing of such Significant Sale, each Co-Seller shall deliver certificates for all Securities to be sold by such Co-Seller, duly endorsed for Transfer to the purchaser against payment of the appropriate purchase price.

4.1.3 Notwithstanding anything contained in this Section 4.1, there shall be no liability on the part of any member of the WLR Group to any Co-Seller if the sale of Securities pursuant to this Section 4.1 is not consummated for whatever reason. Whether to effect a sale of Securities pursuant to

this Section 4.1 by a member of the WLR Group is in the sole and absolute discretion of such member of the WLR Group.

4.2 Tag Along Rights.

4.2.1 Applicability. In connection with any Transfer for consideration (other than a Permitted Transfer) by one or more members of the WLR Group of Securities, directly or indirectly, in one or a series of related transactions, representing forty percent (40%) or more of the Fully Diluted Common Stock (a "Sale") then held by the WLR Group, and it does not, or cannot, elect to exercise its rights under Section 4.1, then at least twenty (20) days prior to the closing of such Sale, the WLR Group shall make a written offer (the "Participation Offer") to each Co-Seller to include in the proposed Sale a portion of such Co-Seller's Securities that represents the same percentage of such Co-Seller's total Fully Diluted Common Stock as the Securities being sold by the WLR Group represents of its total Fully Diluted Common Stock. If such Sale involves the Transfer by a Selling Member of Preferred Stock, then this Section 4.2 shall apply *mutatis mutandis* to such Sale. In applying this Section 4.2.1, a Co-Seller's rights hereunder shall first be applied to Securities of such Co-Seller that are the same as the Securities being Transferred by the Selling Member and then, to the extent that like Securities are insufficient to satisfy such Co-Seller's rights hereunder, to the other Securities of such Co-Seller; provided, that, if the purchaser of the Securities refuses to purchase Securities of Co-Sellers that are not the same as the Securities being Transferred by the Selling Member, a Co-Seller's rights hereunder shall be limited to the Transfer of Securities of such Co-Seller that are the same as the Securities being sold by the Selling Member; provided further, that if the consideration to be received by the Selling Member includes any securities, then, unless the WLR Group and the transferee both reasonably determine that an exemption is otherwise available under the Securities Act and all applicable state securities laws for such transaction, only Co-Sellers who have certified to the reasonable satisfaction of the WLR Group that they are Accredited Investors shall be entitled to participate in such Transfer, unless the transferee consents otherwise.

4.2.2 Terms of Participation Offer. The Participation Offer shall describe the terms and conditions of the proposed Sale and shall be conditioned upon (a) the consummation of the transactions contemplated in the Participation Offer with the transferee named therein, and (b) each Co-Seller's execution and delivery of all agreements and other documents related to the Transfer of the Securities as the members of the WLR Group are required to execute and deliver in connection with such Sale; provided, that, each Co-Seller shall not be required to make any representations or warranties in connection with such Transfer other than representations and warranties as to (i) such Co-Seller's ownership of its Securities to be sold or Transferred free and clear of all Liens other than as provided for in this Agreement, (ii) such Co-Seller's power and authority to effect such Transfer, (iii) such matters pertaining to compliance with securities laws as the transferee may reasonably require, and (iv) such other matters as are represented and warranted by a selling member of the WLR Group. Any obligations of the Co-Sellers arising under the definitive documentation for such Sale shall relate to the representations and warranties described above and to any post closing indemnification or similar post closing obligations (other than for any representations or warranties described above that are given by other Holders) imposed upon members of the WLR Group and shall be in proportion to and several, not joint and several, and in an amount no greater than the consideration received by such Co-Seller. If any Co-Seller shall accept the Participation Offer by written notice to the WLR Group within ten (10) days after the date on which such Co-Seller receives the Participation Offer, the WLR Group shall reduce, to the extent necessary, the number of Securities it otherwise would have sold in the proposed Transfer so as to permit those Co-Sellers who have accepted the Participation Offer to sell the number of Securities that they are entitled to sell under this Section 4.2 and the WLR Group and such Co-Sellers shall Transfer the Securities specified in the Participation Offer to the proposed transferee in accordance with the terms of such Transfer as set forth in the Participation Offer. The purchase price payable for Securities of a Co-

Seller that are not the same as the Securities being sold by the Selling Member shall be adjusted, as appropriate, to reflect the comparative economics of such Securities.

4.2.3 Notwithstanding anything contained in this Section 4.2, there shall be no liability on the part of any member of the WLR Group to any Co-Seller if the Sale of Securities pursuant to this Section 4.2 is not consummated for whatever reason. Whether to effect a Sale of Securities pursuant to this Section 4.2 by a member of the WLR Group is in the sole and absolute discretion of such member of the WLR Group.

4.3 **Certain Events Not Deemed Transfers.** In no event shall a Disposition constitute a Significant Sale or a Sale for purposes of Sections 4.1 or 4.2.

4.4 **Preemptive Rights.**

4.4.1 **Right to Participate in Future Sales by the WLR Group Holders.** If the Company or any of its Subsidiaries proposes to issue or sell any equity or debt securities of the Company or any securities containing options or rights to acquire equity or debt securities of the Company (the “**Additional Securities**”), the Company shall, no later than twenty (20) days (or such lesser time determined by the Board in its good faith discretion if the Company or such Subsidiary is in bankruptcy or default under any outstanding indebtedness or the financial condition of the Company or such Subsidiary is such that a bankruptcy or a default is reasonably expected to occur and, in each case, the Board determines that the issuance or sale of Additional Securities of the Company or such Subsidiary would cure (or would be reasonably likely to avoid) such bankruptcy or default) prior to the consummation of such transaction (a “**Preemptive Rights Transaction**”), give written notice of such Preemptive Rights Transaction (the “**Offer Notice**”) to each WLR Group Holder (each a “**WLR Notice Recipient**” and collectively the “**WLR Notice Recipients**”), with a copy to all Non-WLR Group Holders. The Offer Notice shall describe the proposed Preemptive Rights Transaction, identify the proposed purchaser, and contain an offer (the “**Preemptive Rights Offer**”) to sell to each WLR Notice Recipient, at the same price and for the same consideration to be paid by the proposed purchaser, all or any part of such WLR Notice Recipient’s pro rata portion of the Additional Securities (which shall be based on the ratio that the Fully Diluted Common Stock then held by such WLR Notice Recipient bears to the amount of the then Fully Diluted Common Stock, excluding, for purposes of such calculation, any shares of Common Stock issuable upon exercise of any Common Stock Equivalents granted pursuant to any employee, officer or director benefit plan or arrangement). If any such WLR Notice Recipient fails to accept in writing the Preemptive Rights Offer with respect to all or any part of such Additional Securities offered to such WLR Notice Recipient within the time period specified in the Offer Notice, the Company may, subject to Section 4.4.2, proceed with the proposed Preemptive Rights Transaction with respect to such Additional Securities as to which the Preemptive Rights Offer has not been accepted, free of any right on the part of any such WLR Notice Recipient under this Section 4.4.1 in respect thereof and free of any right on the part of any Non-WLR Group Holder. Anything in this Agreement to the contrary notwithstanding, except in connection with a Permitted Transfer, none of the rights granted pursuant to this Section 4.4.1 may be transferred to any other Person.

4.4.2 **Right to Participate in Future Sales by Non-WLR Group Holders.** If a WLR Group Holder accepts in writing the Preemptive Rights Offer with respect to all or any part of such Additional Securities offered to such WLR Notice Recipient, then the Company shall give an Offer Notice related to such Preemptive Rights Transaction to each Non-WLR Group Holder (each a “**Non-WLR Notice Recipient**” and collectively the “**Non-WLR Notice Recipients**”). The Offer Notice shall describe the proposed Preemptive Rights Transaction, identify the proposed purchaser, and contain a Preemptive Rights Offer to sell to each Non-WLR Notice Recipient who certifies (to the reasonable satisfaction of the Company) that such Non-WLR Notice Recipient is an Accredited Investor (an

“**Accredited Offeree**”), at the same price and for the same consideration to be paid by the proposed purchaser, all or any part of such Accredited Offeree’s pro rata portion of the Additional Securities (which shall be based on the ratio that the Fully Diluted Common Stock then held by such Accredited Offeree bears to the amount of the then Fully Diluted Common Stock, excluding, for purposes of such calculation, any shares of Common Stock issuable upon exercise of any Common Stock Equivalents granted pursuant to any employee, officer or director benefit plan or arrangement). If any such Non-WLR Notice Recipient fails to accept in writing the Preemptive Rights Offer with respect to all or any part of such Additional Securities offered to such Non-WLR Notice Recipient by the fifteenth (15th) day (or such lesser time determined by the Board in its good faith discretion if the Company or such Subsidiary is in bankruptcy or default under any outstanding indebtedness or the financial condition of the Company or such Subsidiary is such that a bankruptcy or a default is reasonably expected to occur and, in each case, the Board determines that the issuance or sale of Additional Securities of the Company or such Subsidiary would cure (or would be reasonably likely to avoid) such bankruptcy or default) after its receipt of the Offer Notice, the Company may proceed with the proposed Preemptive Rights Transaction with respect to such Additional Securities as to which the Preemptive Rights Offer has not been accepted, free of any right on the part of any such Non-WLR Notice Recipient under this Section 4.4.2 in respect thereof. Anything in this Agreement to the contrary notwithstanding, except in connection with a Permitted Transfer, none of the rights granted pursuant to this Section 4.4.2 may be transferred to any other Person. If no WLR Group Holder accepts in writing the Preemptive Rights Offer with respect to all or any part of such Additional Securities offered to such WLR Notice Recipient, then (a) the Company is not required to provide an Offer Notice to any Non-WLR Group Holder, (b) no Non-WLR Group Holder will be entitled to participate in such Preemptive Rights Transaction and (c) the Company may proceed with the proposed Preemptive Rights Transaction with respect to such Additional Securities, free of any right on the part of any such Non-WLR Group Holder in respect thereof. For the avoidance of doubt, notwithstanding any other provision of this Agreement, any Non-WLR Group Holder who cannot or does not to certify in writing that he or it is an Accredited Investor with respect to the Preemptive Rights Offer shall not be eligible or entitled to participate in, and shall not purchase any Additional Securities under, such Preemptive Rights Offer.

4.4.3 Exceptions to Preemptive Rights. Section 4.4.1 and Section 4.4.2 shall not apply to (a) issuances or sales of Additional Securities of the Company upon exercise, conversion or exchange of any Common Stock Equivalent or other security which, when issued, was subject to or exempt from the preemptive rights provided under this Section 4.4, (b) Additional Securities of the Company distributed or set aside ratably to all holders of Securities of the Company on a per share equivalent basis, (c) issuances or sales of Additional Securities of the Company pursuant to a registered underwritten public offering, pursuant to a merger of the Company or a Subsidiary into or with another entity or as consideration to a seller pursuant to an acquisition by the Company or a Subsidiary of the capital stock or assets of another business entity or business segment of any such entity, or (d) issuances or sales of Additional Securities of the Company to employees, officers, consultants, or directors of the Company or the Subsidiaries pursuant to employee benefit, incentive compensation, bonus or similar plans or arrangements of the Company or the Subsidiaries.

4.5 Transfer and Exchange. When Securities are presented to the Company with a request to register the Transfer of such Securities or to exchange such Securities for Securities of other authorized denominations, the Company shall register the Transfer or make the exchange as requested if the requirements of this Agreement for such transaction are met; provided, that, the Securities surrendered for Transfer or exchange shall be duly endorsed or accompanied by a written instrument of Transfer in form satisfactory to the Company, duly executed by the Holder thereof or its attorney in fact and duly authorized in writing. No service charge shall be made for any registration of Transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

4.6 **Replacement Securities.** If a mutilated Security is surrendered to the Company or if the Holder of a Security claims and submits an affidavit or other evidence, satisfactory to the Company, to the effect that the Security has been lost, destroyed or wrongfully taken, the Company shall issue a replacement Security if the Company's reasonable requirements are met. If required by the Company, such Holder (other than a Holder which is a bank, insurance company or similar institutional investor) must provide an indemnity bond, or other form of indemnity, sufficient in the judgment of the Company to protect the Company against any loss that may be suffered. The Company may charge such Holder for its reasonable out-of-pocket expenses in replacing a Security that has been mutilated, lost, destroyed, or wrongfully taken.

ARTICLE 5 LIMITATION ON TRANSFERS

5.1 Restrictions on Transfer.

5.1.1 **General Restrictions.** The Securities shall not be Transferred (a) with respect to Permitted Transfers, by any Holder except in compliance with the conditions specified in Sections 5.2 and 5.3, and (b) otherwise, by any Holder before satisfaction of (i) the conditions specified in Sections 5.1 through 5.4, and (ii) if applicable, Article 4; provided, that, any Securities Beneficially Owned by a Holder that is an Employee (other than a Member of the WLR Group) shall not be Transferred other than pursuant to a Permitted Transfer; provided further, that, no Non-WLR Group Holder shall Transfer any Securities to a Competitive Business or to any Person who does not qualify as an Accredited Investor. Any purported Transfer in violation of this Article 5 or, if applicable, Article 4 shall be void ab initio and of no force or effect. Other than Transfers (A) subject to Sections 2.3, or (B) described in clause (h) of the definition of "Permitted Transfers" in Section 1.1, each Holder will cause any proposed transferee of any Security or any interest therein held by it to agree in writing, in an instrument in form and substance reasonably satisfactory to the Company, to take and hold such Securities (x) subject to the provisions and upon conditions specified in this Agreement and (y) with respect to any Holder who is a Seller Indemnitor under any Purchase Agreement, subject to the indemnity payment obligations of such Seller Indemnitor, as set forth in Section 7.5(b) of the applicable Purchase Agreement. Furthermore, to the extent a Holder (1) residing in a Community Property State marries, (2) who is a married individual moves from a state that is not a Community Property State into a Community Property State, or (3) Transfers Securities to any transferee who is an individual residing in a Community Property State, then, in the case of clause (1) and (2), such Holder and, in the case of clause (3), such transferee shall cause his or her spouse to execute a spousal consent in a form reasonably satisfactory to the Company.

5.1.2 Other Restrictions. Notwithstanding anything to the contrary contained herein, no Holder shall Transfer any Securities to any Person (a) to the extent such Transfer, or such proposed transferee's ownership of such Securities, would result in a violation or breach of, or otherwise conflict with (with or without notice or lapse of time or both), any applicable law, (b) to the extent such Person is not permitted under applicable law to hold Securities of the Company, (c) to the extent such Transfer, or such proposed transferee's ownership of Securities, would, or could reasonably be expected to, give rise to a right of termination or cancellation or a loss of a benefit under any provision of any Permit, and (d) unless the ownership of such Securities by such proposed transferee is first approved by, or consent is received from (to the extent such approval or consent is required), all applicable Governmental Authorities charged with the responsibility of regulating the business of the Company or any Subsidiary.

5.2 Restrictive Legends.

5.2.1 Securities Act Legend. Except as otherwise provided in Section 5.2.2, each Security held by a Holder, and each Security issued to any subsequent transferee of such Security, shall be stamped or otherwise imprinted with a legend in substantially the following form:

THE SECURITIES OF THIS COMPANY REPRESENTED BY THIS CERTIFICATE MUST BE ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE STATE SECURITIES LAWS OF ANY STATE. WITHOUT SUCH REGISTRATION, SUCH SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED AT ANY TIME WHATSOEVER, EXCEPT UPON DELIVERY TO THE COMPANY OF AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED FOR SUCH TRANSFER OR THE SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO THE COMPANY TO THE EFFECT THAT ANY SUCH TRANSFER WILL NOT BE IN VIOLATION OF THE SECURITIES ACT OF 1933 OR APPLICABLE STATE SECURITIES LAWS, OR ANY RULE OR REGULATION PROMULGATED THEREUNDER.

5.2.2 Termination of Certain Restrictions. The restrictions imposed by Section 5.2.1 shall terminate as to any Security (a) when and so long as such Security shall have been effectively registered under the Securities Act and disposed of pursuant thereto or disposed of pursuant to the provisions of Rule 144 thereof or permitted to be disposed of pursuant to Rule 144(k) or (b) when the Company shall have received an opinion of counsel reasonably satisfactory to the Company (or supply such other evidence reasonably satisfactory to the Company) that such Security may be transferred without registration thereof under the Securities Act and that such legend may be removed. Whenever the restrictions imposed by Sections 5.2.1 shall terminate as to any Security, the Holder thereof shall be entitled to receive from the Company, at the Company's expense, a new Security not bearing the restrictive legend set forth in Section 5.2.1.

5.2.3 Other Legends. Except as otherwise permitted by the last sentence of Section 5.1, each Security issued to each Holder or to a transferee of a Holder which shall, pursuant hereto, be subject to the terms of this Agreement, shall include a legend in substantially the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN OPTION TO PURCHASE, RESTRICTIONS ON TRANSFER, VOTING AND OTHER TERMS AND CONDITIONS SET FORTH IN THE STOCKHOLDERS' AGREEMENT, DATED AS OF OCTOBER 2, 2013, A COPY OF WHICH MAY BE

OBTAINED UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

5.3 **Notice of Proposed Transfers.** Prior to any Transfer or attempted Transfer of any Security, the Holder of such Security shall (a) give at least sixty (60) days' prior written notice (a "**Transfer Notice**") to WLR and the Company of such Holder's intention to effect such Transfer, describing the manner and circumstances of the proposed Transfer, and (b) if required by the Company, provide to the Company an opinion reasonably satisfactory to the Company from counsel who shall be reasonably satisfactory to the Company (or supply such other evidence reasonably satisfactory to the Company) that the proposed Transfer of such Security may be effected without registration under the Securities Act. Each Security issued upon such Transfer shall bear the restrictive legend set forth in Section 5.2.1, unless in the reasonable judgment of counsel for the Company such legend is not required in order to ensure compliance with the Securities Act.

5.4 **Right of First Refusal.**

5.4.1 **Application.** Other than with respect to Securities surrendered in connection with a cashless exercise of options to acquire Common Stock, if any Non-WLR Group Holder intends to accept any bona fide offer or offers to purchase or otherwise acquire, directly or indirectly, any or all of its Securities that if consummated would not be a Permitted Transfer (the "**Offered Securities**"), the Non-WLR Group Holder (the "**Transferring Holder**") shall give a Transfer Notice to the WLR Group of such Transferring Holder's intention to effect such Transfer, describing the purchase price per share and other material terms and conditions of the proposed Transfer, including the identity of the prospective transferee(s) of the Offered Securities (and if the proposed Transfer is to be wholly or partly for consideration other than cash, the Transfer Notice shall state the amount of the cash consideration, if any, and shall describe all non-cash consideration). The Transfer Notice shall also contain a true and complete copy of any and all available documents constituting the offer or proposed agreement to Transfer the Offered Securities. After receipt of the Transfer Notice, the WLR Group (or as provided in Section 5.4.3, its assignees) shall have the option for sixty (60) days (from the later to occur of (a) the date of receipt of the Transfer Notice or (b) the date of determination of the Fair Market Value for any non-cash consideration included in the purchase price for the Offered Securities) to elect, by delivering a written notice (an "**Election Notice**") of such election to such Transferring Holder, to (i) purchase all, but not less than all, of the Offered Securities upon the same terms and conditions set forth in the Transfer Notice (except that any part of the consideration set forth in the Transfer Notice which is not cash shall be payable in cash at the Fair Market Value thereof) or (ii) participate in the proposed Transfer in accordance with the terms set forth in Section 5.4.3.

If the WLR Group elects to purchase all of the Offered Securities and delivers an Election Notice within the applicable period, then the Transferring Holder shall deliver the Transfer Notice to each Non-WLR Group Holder, other than the Transferring Holder (each a "**Non-Transferring Holder**"). Each Non-Transferring Holder shall have the irrevocable and exclusive option to participate with the WLR Group to purchase that number, but not less than that number, of the Offered Securities equal to the product of the number of Offered Securities multiplied by a fraction (the "**Proportionate Share**"), the numerator of which shall be the number of outstanding shares of Common Stock owned by such Non-Transferring Holder and the denominator of which shall be the number of outstanding shares of Common Stock owned by all of the Holders (other than the Transferring Holder). Within ten (10) days after the Transferring Holder delivers the Transfer Notice to the Non-Transferring Holders, each Non-Transferring Holder who elects to purchase its full Proportionate Share (each an "**Acquiring Holder**") shall deliver an Election Notice to the Transferring Holder and the WLR Group of its election to participate in the purchase of such Offered Securities. A Non-Transferring Holder shall not participate in a Transfer if such Non-Transferring Holder fails to timely deliver an Election Notice to the Transferring

Holder. The amount of the Offered Securities that the WLR Group can purchase shall be reduced by the aggregate Proportionate Share of each Acquiring Holder who timely delivers an Election Notice to the Transferring Holder. The delivery of an Election Notice under this Section shall constitute an irrevocable commitment to purchase such Offered Securities.

If the WLR Group does not deliver an Election Notice, the Transferring Holder shall not consummate the proposed Transfer until the earlier to occur of the lapse of sixty (60) day period or the date on which the WLR Group (acting for itself or if applicable, its assignees) has notified such Transferring Holder in writing that it will not exercise its rights under this Section 5.4.1 (the “Authorization Date”). If the WLR Group (including its respective assignees) has not elected to purchase all of the Offered Securities or it has failed to make a timely election to participate in the proposed Transfer, such Transferring Holder may Transfer all, but not less than all, of the Offered Securities to the prospective transferee(s) thereof specified in the Transfer Notice, at a price and on terms no more favorable to such prospective transferee(s) than as specified in the Transfer Notice, during the 90-day period immediately following the Authorization Date; provided that, if required by the Company, the Transferring Holder shall provide to the Company an opinion reasonably satisfactory to the Company (or supply such other evidence reasonably satisfactory to the Company) that the proposed Transfer may be effected without registration under the Securities Act. If the Offered Securities are not so Transferred within such 90-day period, such Offered Securities must be reoffered to the WLR Group in accordance with the provisions of this Section 5.4.1 if such Transferring Holder still desires to Transfer the Offered Securities.

5.4.2 Closing. If the WLR Group (or its assignees) or any Acquiring Holder exercises the right to purchase the Offered Securities by timely delivery of an Election Notice, unless otherwise agreed by the Transferring Holder and the WLR Group, the closing will take place at the offices of Akin Gump Strauss Hauer & Feld, LLP in Dallas, Texas on a date reasonably designated by WLR within the later of ninety (90) days after the date of the Election Notice or, if applicable, the fifth (5th) Business Day after the date that all Required Governmental Approvals have been obtained (and the parties shall use all commercially reasonable efforts to obtain such Required Governmental Approvals). At the closing, the WLR Group (or, if applicable, its assignees) and any Acquiring Holder, will pay the purchase price per share set forth in the Transfer Notice in cash (by wire transfer of immediately available funds or by certified or cashier’s check), solely upon such Transferring Holder’s delivery to the WLR Group (or, if applicable, its assignees) or any Acquiring Holders, of valid certificates or agreements evidencing all of the Offered Securities then being purchased pursuant to the Election Notice. Certificates or agreements representing the Offered Securities will be duly endorsed for Transfer to the WLR group (or, if applicable, its assignees) or any Acquiring Holder. By delivery of such certificates or agreements to the WLR Group (or, if applicable, its assignees) or any Acquiring Holders, such Transferring Holder will be deemed to represent and warrant to the WLR Group (or, if applicable, its assignees) or any Acquiring Holders, that the transferred Offered Securities, are owned by such Transferring Holder free and clear of all Liens other than as provided in this Agreement. The WLR Group (or, if applicable, its assignees) or any Acquiring Holders and the Transferring Holder will promptly perform, whether before or after any such closing, such additional acts (including, without limitation, executing and delivering additional documents) as are reasonably required by any such party to effect more fully the transactions contemplated by this Section 5.4.2.

5.4.3 Assignment. The rights of the WLR Group under this Section 5.4 may be assigned or transferred in whole or in part by WLR, without any consent or other action on the part of any other party hereto, to the Company or any one or more members of the WLR Group.

ARTICLE 6 CALL OPTION

6.1 **Call Option.** If (i) an Employee ceases to be an Employee (whether with or without Cause, whether for any reason or no reason, or otherwise), including due to such Employee's death or Permanent Disability or such Employee's Retirement, resignation, or termination (whether voluntary or involuntary) or (ii) any non-WLR Group Holder engages in Competitive Activities (a "**Competitive Holder**"), the Company (or as provided in Section 6.3, one or more Holders designated by the Board) shall have the right, but shall in no event be obligated, to require such Employee's Employee Group Holders or such Competitive Holder and its Line of Permitted Transferees to sell to the Company (or its designees) (the "**Call Option**") all of the Securities and Additional Securities held by such Persons (provided, that solely with respect to clause (i), Securities subject to the Call Option in accordance with clause (i) shall exclude Securities held by such Persons that were issued in exchange for any such Person's Rollover Shares and Additional Securities acquired by any such Person pursuant to Section 4.4.2 as a result of such Person's ownership of Rollover Shares). The Securities subject to the Call Option are referred to herein as the "**Call Securities**." The purchase price under the Call Option (the "**Call Price**") shall be a cash amount equal to (a) in the case of the Employee's termination for Cause or the Holder's becoming a Competitive Holder, the lower of (i) the price initially paid by such Employee or Competitive Holder for the Call Securities (as adjusted to reflect any stock splits, dividends, consolidations or similar transactions) or (ii) the Fair Market Value; and (b) in the case of an Employee's termination other than for Cause (including as a result of such Employee's death, Permanent Disability, or Retirement), the Fair Market Value.

6.2 **Notice and Closing.** The Company shall give notice in writing to the subject Employee or Competitive Holder, as applicable, (or its authorized representative, executor, conservator or personal representative) of its intention to purchase the Call Securities pursuant to the Call Option within one hundred eighty (180) days after, as applicable, the date such Employee ceased to be an Employee or the date such Holder became a Competitive Holder (the "**Call Option Period**"). If no notice is given within the Call Option Period, the Call Option shall terminate. The closing of the purchase and sale pursuant to the Call Option shall take place at the offices of Akin Gump Strauss Hauer & Feld, LLP in Dallas, Texas on a date reasonably designated by the Company within the latest of (i) ninety (90) days after the end of the Call Option Period, (ii) five (5) Business Days after the date that the Call Price is determined or, if applicable, (iii) the fifth (5th) Business Day after the date that all Required Governmental Approvals have been obtained (and the parties shall use all commercially reasonable efforts to obtain such Required Governmental Approvals). At such closing, the Employee's Employee Group Holders or the Competitive Holder and its Line of Permitted Transferees, as applicable, shall deliver to the Company (or, if applicable, its designee) the certificates or instruments evidencing the Call Securities, duly endorsed (or accompanied by duly executed stock powers or assignments) and otherwise in good form for delivery and free and clear of all Liens other than as provided for in this Agreement, and the Company (or, if applicable, its designee) shall pay the Call Price in cash (by wire transfer of immediately available funds or by certified or cashier's check). To assure the enforceability of the rights under this Section 6.2, each certificate or instrument representing the Securities held by such a Holder shall bear a conspicuous legend in substantially the form set forth in Section 5.2.3. Any Holder with respect to which the Call Option is exercised hereunder shall pay all costs and expenses (including reasonable attorneys' fees) of the Company or its designee(s) incurred in connection with the enforcement of this Article 6.

6.3 **Assignment.** The rights of the Company under Section 6.1 may be assigned or transferred in whole or in part by the Company, without any consent or other action on the part of any party hereto, to any Holder or to any one or more members of the WLR Group or any Affiliate of any Holder.

ARTICLE 7 TERMINATION

7.1 **Termination of Agreement.** The provisions of this Agreement shall terminate on the tenth (10th) anniversary of the date of this Agreement; provided, that, in the event of the consummation of a Qualified IPO, then Article 2, Sections 4.1, 4.2 and 4.4, Article 5 (other than Sections 5.2.1 and 5.3) and Article 6 of this Agreement shall terminate forthwith.

7.2 **Termination of Rights.** The rights of a party under this Agreement shall terminate when such party ceases to have any Beneficially Owned Securities.

ARTICLE 8 MISCELLANEOUS

8.1 **Notices.** Any notices or other communications required or permitted hereunder shall be in writing, and shall be sufficiently given if delivered in person, by facsimile or similar means of communication, sent by first class mail (registered or certified mail, postage prepaid, return receipt requested) or delivered by courier service, addressed as follows (or at such other address as may be substituted by notice given as herein provided):

If to the Company:

c/o WL Ross & Co. LLC
1166 Avenue of the Americas, 25th Fl.
New York, NY 10036
Attention: Stephen Toy and Patrick Machir
Facsimile: (212) 278-9048

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

Akin Gump Strauss Hauer & Feld, LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
Attention: Thomas H. Yang, Esq.
Facsimile: (214) 969-4343

If to WLR:

WL Ross & Co. LLC
1166 Avenue of the Americas, 25th Fl.
New York, NY 10036
Attention: Stephen Toy and Patrick Machir
Facsimile: (212) 278-9048

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

Akin Gump Strauss Hauer & Feld, LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
Attention: Thomas H. Yang, Esq.
Facsimile: (214) 969-4343

If to any other Holder, at its address listed on the signature pages hereto with a copy (which shall not constitute notice) to such Holder's legal counsel.

Any notice or communication hereunder shall be deemed to have been given or made (a) as of the date so delivered if personally delivered, (b) when receipt is electronically confirmed, if sent via facsimile or similar device, (c) five (5) calendar days after mailing if sent by registered or certified mail and (d) as of the date so delivered if delivered by courier service; provided, that, a notice of change of address shall not be deemed to have been given until actually received by the addressee).

Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. Except as expressly provided in the immediately preceding paragraph, if a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

8.2 **Information Rights.**

8.2.1 The Company shall furnish to (i) the WLR Group, (ii) the Wallach Holders and (iii) the Crockett/Highland Holders, in each case, for so long as the applicable group of Holders collectively hold forty percent (40%) or more of the initial Securities held by such Holders as of the date hereof:

(a) **Annual Financial Reports.** As soon as available, but in no event later than one hundred and twenty (120) days after the end of each fiscal year, audited consolidated financial statements of the Company and its Subsidiaries, for the immediately preceding fiscal year, including a consolidated balance sheet as of the end of such fiscal year, a consolidated statement of income and a consolidated statement of cash flows for such year, all prepared in accordance with U.S. generally accepted accounting principles ("**GAAP**") consistently applied (with the exception of footnotes).

(b) **Quarterly Financial Reports.** As soon as available, but in no event later than seventy-five (75) days after the end of each fiscal quarter starting with the quarter ended March 31, 2014, unaudited consolidated financial statements of the Company and its Subsidiaries, including a consolidated balance sheet as of the end of such fiscal quarter, a consolidated statement of income and a consolidated statement of cash flows for such quarter and the current fiscal year to date, such financial statements to be prepared in accordance with GAAP consistently applied (with the exception of footnotes);

8.3 **Legal Holidays.** A "Legal Holiday" used with respect to a particular place of payment is a Saturday, a Sunday or a day on which banking institutions at such place are not required to be open. If a payment date is a Legal Holiday at such place, payment may be made at such place on the next succeeding day that is not a Legal Holiday, and no interest on the amount of such payment shall accrue for the intervening period.

8.4 **Governing Law.** THIS AGREEMENT AND THE RIGHTS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, INTERPRETED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS (EXCLUSIVE OF THE CHOICE OF LAW PROVISIONS THEREOF) OF THE STATE OF DELAWARE AS TO ALL MATTERS, INCLUDING, BUT NOT LIMITED TO, MATTERS OF VALIDITY, CONSTRUCTION, EFFECT, PERFORMANCE AND REMEDIES.

8.5 **Exclusive Jurisdiction.** Any action between the parties hereto (a) to enforce any of the terms of this Agreement, or (b) in any other way pertaining to this Agreement, shall be brought only in a State or Federal court sitting in the State of Delaware and not in any other State or Federal court.

8.6 **Successors and Assigns.** Whether or not an express assignment has been made pursuant to the provisions of this Agreement, provisions of this Agreement that are for the Holders' benefit as the holders of any Securities are also for the benefit of, and enforceable by, all subsequent holders of Securities, except as otherwise expressly provided herein. This Agreement shall be binding upon the Company, each Holder, and their respective successors and assigns.

8.7 **Counterparts; Facsimile Signatures.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original Agreement, and all of which shall constitute one Stockholders' Agreement between each of the parties hereto, notwithstanding that, all of the parties are not signatories to the original or the same counterpart. Each party hereto hereby acknowledges the effectiveness of, and agrees to accept, facsimile or portable document format (PDF) copies of signatures of any other party hereto for purposes of executing this Agreement; provided, that, any party executing this Agreement by facsimile or portable document format copies (PDF) of signatures shall provide any other party with the number of original signature pages as such other party may specify as soon as is practicable following a request for same by the other party.

8.8 **Severability.** In case any provision in this Agreement shall be held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and the remaining provisions shall not in any way be affected or impaired thereby.

8.9 **No Waivers; Amendments.**

8.9.1 In case any one or more of the covenants or agreements set forth in this Agreement shall have been breached by any party hereto, the party or parties entitled to the benefit of such covenants or agreements may proceed to protect and enforce their rights either by suit in equity or by action at law, including an action for damages as a result of any such breach or an action for specific performance of any such covenant or agreement contained in this Agreement or a temporary or permanent injunction (without posting a bond or other security), in any case without showing any actual damage. No failure or delay on the part of the Company or any Holder in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies provided for herein are cumulative and are not exclusive of any remedies that may be available to the Company or any Holder at law or in equity or otherwise.

8.9.2 Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Company and the Required Holders; provided, that, no such amendment or waiver shall amend or waive this Agreement in a manner materially adverse to a group of Holders if any such action affects such group of Holders adversely and disproportionately from the other Holders unless signed by the WLR Group and Holders of a majority of the Securities held by such disproportionately affected group of Holders; provided, that the sharing of existing rights in this Agreement among, or the granting of rights similar to those in this Agreement to, existing or new Holders without the taking away of existing rights from any group of Holders shall not be deemed to be adverse to, nor to have an adverse and disproportionate affect on, such group of Holders. The addition of any Person as a party to this Agreement by written acknowledgment of their joinder hereto shall not require the approval or consent of any Holder and such person shall be deemed a Holder for all purposes thereafter.

8.10 **Transfer Taxes.** Each Holder will pay all respective sales, transfer, and documentary taxes, if any, payable in connection with the conveyances, assignments, transfers, and deliveries to be made by it pursuant to this Agreement.

8.11 **Entire Agreement; Third Parties.** This Agreement contains the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings oral and written with respect thereto. Other than as provided in Section 8.6, it is understood and agreed among the parties hereto that this Agreement and the covenants made herein are made expressly and solely for the benefit of the other parties hereto (or their respective successors or permitted assigns), and no third party beneficiary rights are granted by the parties pursuant to this Agreement.

8.12 **Confidentiality.** No Holder shall, in any manner, either directly or indirectly, divulge, disclose, or communicate to any Person any non-public information, data and materials relating to the Company or any Subsidiaries, and their respective operations, businesses and activities, (the "**Information**"), provided, that, the foregoing confidentiality obligation shall not apply to any Information that (a) has previously become available to the public (other than as a result of wrongful disclosure by the Holder), or (b) becomes available to the Holder on a non-confidential basis from a source other than the Company or any Subsidiary, so long as such source is not known by the Holder (after reasonable inquiry) to be subject to another confidentiality agreement with the Company or any Subsidiary. The foregoing provisions of this Section 8.12 shall not prohibit the disclosure of Information by (i) any Holder to the extent required by applicable law (including, without limitation, as may be required pursuant to any investigation conducted by, or proceeding of, any Governmental Authority, court or other quasi-judicial or regulatory body), (ii) any Holder with the written consent of the Company which consent will not be unreasonably withheld or delayed, or (iii) any Holder who is an officer or employee of the Company or any Subsidiary to other officers, employees or advisors of the Company or any Subsidiary as required in connection with the performance of the Holders' duties as such an officer or employee, (iv) any Holder to his, her or its personal lawyers, accountants or investment advisors who need to know certain Information for tax, legal or investment advice and are informed of the confidential nature of such Information, or (v) WLR or its Affiliates. Any Holder receiving such a demand for disclosure shall give written notice thereof to the Company as promptly as is reasonably practicable after such Holder learns of any such demand.

8.13 **Enforcement.** The Holders, on the one hand, and the Company, on the other hand, acknowledge and agree that irreparable injury to each party would occur in the event any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and that such injury would not be adequately compensable in damages. It is accordingly agreed that, in addition to any other remedies which may be available at law or in equity, each party hereto (the "**Moving Party**") shall be entitled to specific enforcement of, and injunctive relief to prevent any violation of, the terms of this Agreement, and the other parties hereto will not take action, directly or indirectly, in opposition to the Moving Party seeking such relief on the grounds that any other remedy or relief is available at law or in equity. The parties further agree that no bond shall be required as a condition to the granting of any such relief.

8.14 **Non-Competition; Non-Solicitation.** Each Non-WLR Group Holder acknowledges that it has received good and valuable consideration for the restrictive covenants set forth herein, including, the right to acquire and own Securities and Additional Securities of the Company, the employment by the Company or its Subsidiaries and the related compensation and benefits, if applicable, and other good and valuable consideration, the sufficiency of which is hereby acknowledged. Accordingly, each Non-WLR Group Holder agrees and covenants to the Company and its Subsidiaries that, for the entire time such Non-WLR Group Holder owns any Securities, and for the two (2) year period immediately following the date on which such Non-WLR Group Holder ceases to own any Securities (such period, the "**Restricted Period**"), such Non-WLR Group Holder shall fully comply with the provisions set forth in Schedule 2. The restrictions contained in this Section 8.14 are in addition to any Company policy or Services Agreement, severance agreement or similar agreement to which such Non-WLR Group Holder is subject.

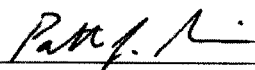
8.14 **WAIVER OF JURY TRIAL.** THE HOLDERS, ON THE ONE HAND, AND THE COMPANY, ON THE OTHER HAND, AGREE THAT NEITHER PARTY SHALL SEEK OR BE ENTITLED TO A JURY TRIAL IN ANY DISPUTE ARISING FROM THIS AGREEMENT. THE PARTIES AGREE TO WAIVE THEIR RIGHTS THEY WOULD OTHERWISE HAVE TO A JURY TRIAL.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

COMPANY:

PB MATERIALS HOLDINGS, INC.

By: 
Name: Patrick J. Machir
Title: Assistant Secretary

WLR RECOVERY FUND V, L.P.:

By: WLR RECOVERY ASSOCIATES V
LLC, its General Partner

By: 
Name: Michael Gibbons
Title: Principal Member

WL Ross & Co. LLC
1166 Avenue of the Americas, 25th Fl.
New York, NY 10036
Attention: Stephen Toy and Patrick Machir
Facsimile: (212) 278-9048

Copy to (which shall not constitute notice):

Akin Gump Strauss Hauer & Feld, LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
Attention: Thomas H. Yang, Esq.
Facsimile: (214) 969-4343

WLR V PARALLEL ESC, L.P.:

By: INVESCO WLR V ASSOCIATES
LLC, its General Partner

By: INVESCO PRIVATE CAPITAL, INC.,
its Managing Member

By: 
Name: Michael Gibbons
Title: Chief Financial Officer

WL Ross & Co. LLC
1166 Avenue of the Americas, 25th Fl.
New York, NY 10036
Attention: Stephen Toy and Patrick Machir
Facsimile: (212) 278-9048

Copy to (which shall not constitute notice):

Akin Gump Strauss Hauer & Feld, LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
Attention: Thomas H. Yang, Esq.
Facsimile: (214) 969-4343

WLR SELECT CO-INVESTMENT, L.P.:

By: WLR SELECT ASSOCIATES LLC, its
General Partner

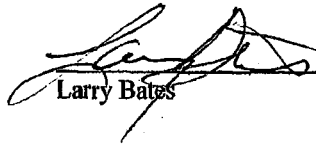
By: 
Name: Michael Gibbons
Title: Principal Member

WL Ross & Co. LLC
1166 Avenue of the Americas, 25th Fl.
New York, NY 10036
Attention: Stephen Toy and Patrick Machir
Facsimile: (212) 278-9048

Copy to (which shall not constitute notice):

Akin Gump Strauss Hauer & Feld, LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
Attention: Thomas H. Yang, Esq.
Facsimile: (214) 969-4343

HOLDER


Larry Bates

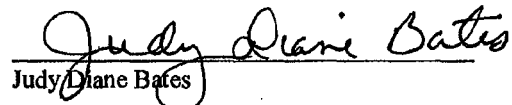
Address: 51 Sunnygrove
Odessa Tx
79761
Telephone: 4323627944
Facsimile: 4323621106

Copy to: _____

Telephone: _____

Facsimile: _____

SPOUSE OF THE ABOVE HOLDER


Judy Diane Bates

HOLDER

O'Ryan Production and Exploration, LTD.

By: Ryan E & P Management, Inc.

Its: General Partner

By: 
Name: Ryan C. Harauf
Its: President

Address: P.O. Box 14821
Odessa, Tx 79768

Telephone: (432) 550-2112

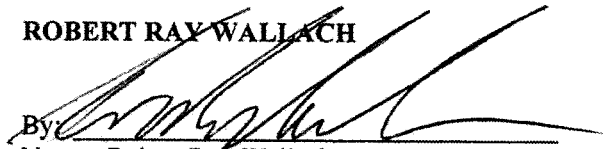
Facsimile: (432) 563-1593

Copy to: _____

Telephone: _____

Facsimile: _____

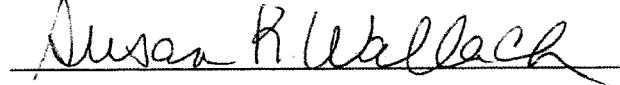
ROBERT RAY WALLACH

By: 
Name: Robert Ray Wallach

Address: c/o Maddox, Holloman &
Kirksey, PC
205 E. Bender, Suite 150
Hobbs, NM 88240
Telephone: (575) 318-6143
Facsimile: (575) 397-2646
Attn.: James M. Maddox

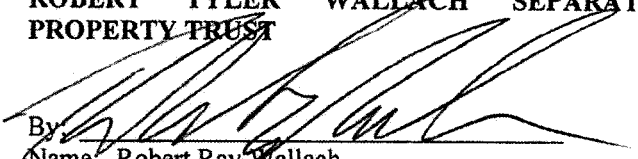
Copy to: Maddox, Holloman & Kirksey,
PC
205 E. Bender, Suite 150
Hobbs, NM 88240
Facsimile: (575) 397-2646
Attn.: James M. Maddox

SPOUSE OF THE ABOVE HOLDER



Printed Name: Susan K. Wallach

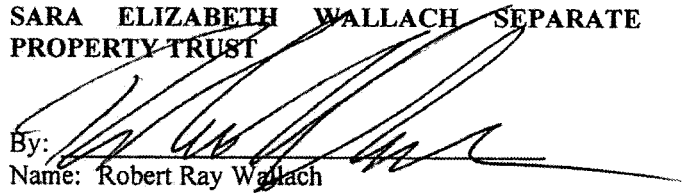
**ROBERT TYLER WALLACH SEPARATE
PROPERTY TRUST**

By: 
Name: Robert Ray Wallach
Title: Trustee

Address: c/o Maddox, Holloman &
Kirksey, PC
205 E. Bender, Suite 150
Hobbs, NM 88240
Telephone: (575) 318-6143
Facsimile: (575) 397-2646
Attn.: James M. Maddox

Copy to: Maddox, Holloman & Kirksey,
PC
205 E. Bender, Suite 150
Hobbs, NM 88240
Facsimile: (575) 397-2646
Attn.: James M. Maddox

**SARA ELIZABETH WALLACH SEPARATE
PROPERTY TRUST**

By: 

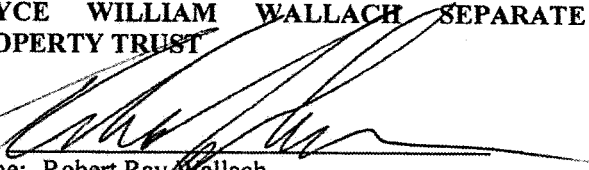
Name: Robert Ray Wallach

Title: Trustee

Address: c/o Maddox, Holloman &
Kirksey, PC
205 E. Bender, Suite 150
Hobbs, NM 88240
Telephone: (575) 318-6143
Facsimile: (575) 397-2646
Attn.: James M. Maddox

Copy to: Maddox, Holloman & Kirksey,
PC
205 E. Bender, Suite 150
Hobbs, NM 88240
Facsimile: (575) 397-2646
Attn.: James M. Maddox

**BRYCE WILLIAM WALLACH SEPARATE
PROPERTY TRUST**

By: 
Name: Robert Ray Wallach
Title: Trustee

Address: c/o Maddox, Holloman &
Kirksey, PC
205 E. Bender, Suite 150
Hobbs, NM 88240
Telephone: (575) 318-6143
Facsimile: (575) 397-2646
Attn.: James M. Maddox

Copy to: Maddox, Holloman & Kirksey,
PC
205 E. Bender, Suite 150
Hobbs, NM 88240
Facsimile: (575) 397-2646
Attn.: James M. Maddox

HOLDER



Dan Arnold

Address: 41 La Promesa
Odessa, Tx
79765
Telephone: 432-561-8525
Facsimile: _____

Copy to: _____

Telephone: _____
Facsimile: _____

SPOUSE OF THE ABOVE HOLDER



Shawna Arnold

SCHEDULE 1

1.1 Demand Registration.

1.1.1 Request for Registration.

(a) WLR may at any time and from time to time request the Company, in writing (a “**Demand Request**”), to effect the registration under the Securities Act of all or part of the Registrable Shares held by members of the WLR Group, the Wallach Holders and the Crockett/Highland Holders (a “**Demand Registration**”). In addition, if the managing underwriters of the Demand Registration recommend or require that the proposed Demand Registration also include Securities to be issued by the Company and if WLR consents to the Company participation, then the Company shall participate in the proposed Demand Registration to the extent so recommended or required.

(b) Each Demand Request shall specify the number of Registrable Shares proposed to be sold. Subject to Clause 1.1.6, the Company shall file the Demand Registration within ninety (90) days after receiving a Demand Request (the “**Required Filing Date**”) and shall use all commercially reasonable efforts to cause the same to be declared effective by the SEC as promptly as practicable after such filing; provided, that the Company need effect only three Demand Registrations; provided, further, that if any Registrable Shares requested to be registered pursuant to a Demand Request made under paragraph (a) of this Clause 1.1.1 are excluded from the applicable Demand Registration pursuant to Clause 1.1.4 below, then WLR shall have the right, with respect to each such exclusion, to request one additional Demand Registration under such paragraph (a).

1.1.2 Effective Registration and Expenses. A registration will not count as a Demand Registration until it has become effective (unless the Requesting Holders withdraw all their Registrable Shares and the Company has performed its obligations hereunder in all material respects, in which case such demand will count as a Demand Registration unless the Requesting Holders pay all Registration Expenses, as hereinafter defined, in connection with such withdrawn registration; provided, that, the Requesting Holders shall not be required to pay any such Registration Expenses in order to preserve the demand if the primary reason for withdrawing such Demand Registration is as a result of a material adverse change in the business, financial condition, operations or prospects of the Company); provided, that, if, after it has become effective, an offering of Registrable Shares pursuant to a registration is interfered with by any stop order, injunction, or other order or requirement of the SEC or other Governmental Authority or court, such registration will be deemed not to have been effected and will not count as a Demand Registration.

1.1.3 Selection of Underwriters. If the Requesting Holders so elect, the offering of Registrable Shares pursuant to a Demand Registration shall be in the form of a “firm commitment” underwritten offering. The Requesting Holders shall select the investment banking firm or firms to manage an underwritten offering under this Clause 1.1, subject to approval by the Company which shall not be unreasonably withheld.

1.1.4 Priority on Demand Registrations. No securities to be sold for the account of any Person (including the Company) other than a Requesting Holder shall be included in a Demand Registration unless the managing underwriter or underwriters shall advise the Company or the Requesting Holders in writing that the inclusion of such securities will not adversely affect the price or success of the offering (a “**Material Adverse Effect**”). Furthermore, in the event the managing underwriter or underwriters shall advise the Company or the Requesting Holders that even after exclusion of all securities of other Persons pursuant to the immediately preceding sentence, the amount of Registrable Shares proposed to be included in such Demand Registration by Requesting Holders is sufficiently large

to cause a Material Adverse Effect, the Registrable Shares of the Requesting Holders to be included in such Demand Registration shall equal the number of shares which the Company is so advised by the managing underwriter or underwriters can be sold in such offering without a Material Adverse Effect and such shares shall be allocated pro rata among the Requesting Holders on the basis of the number of Registrable Shares requested to be included in such registration by each such Requesting Holder.

1.1.5 Rights of Nonrequesting Holders. Upon receipt of any Demand Request, the Company shall promptly (but in any event within ten (10) days) give written notice of such proposed Demand Registration to all other members of the WLR Group, to the Wallach Holder and to the Crockett/Highland Holders, who shall have the right, exercisable by written notice to the Company within twenty (20) days of their receipt of the Company's notice, to elect to include in such Demand Registration such portion of their Registrable Shares as they may request. All Holders making a Demand Request under Clause 1.1.1 and all Holders requesting to have their Registrable Shares included in such Demand Registration in accordance with the preceding sentence shall be deemed to be "Requesting Holders" for purposes of this Clause 1.1. A Requesting Holder's inclusion of Registrable Shares in a Demand Registration pursuant to this Clause 1.1.5 shall count as a Demand Registration as to such Requesting Holder.

1.1.6 Deferral of Filing. The Company may defer the filing (but not the preparation) of a registration statement required by Clause 1.1 or Clause 1.3 until a date not later than one hundred twenty (120) days after the Required Filing Date or Required S-3 Filing Date (or, if longer, one hundred twenty (120) days after the effective date of the registration statement contemplated by clause (b) below) if (a) at the time the Company receives the Demand Request or S-3 Request, the Company or any of its Subsidiaries are engaged in confidential negotiations or other confidential business activities, disclosure of which would be required in such registration statement (but would not be required if such registration statement were not filed), and the Board of Directors of the Company determines in good faith that such disclosure would be materially detrimental to the Company and its stockholders, or (b) prior to receiving the Demand Request or S-3 Request, the Board of Directors had determined to effect a registered underwritten public offering of the Company's securities for the Company's account and the Company had taken substantial steps (including, but not limited to, selecting a managing underwriter for such offering) and is proceeding with reasonable diligence to effect such offering. A deferral of the filing of a registration statement pursuant to this Clause 1.1.6 shall be lifted, and the requested registration statement shall be filed forthwith, if, in the case of a deferral pursuant to clause (a) of the preceding sentence, the negotiations or other activities are disclosed or terminated, or, in the case of a deferral pursuant to clause (b) of the preceding sentence, the proposed registration statement for the Company's account is abandoned. In order to defer the filing of a registration statement pursuant to this Clause 1.1.6, the Company shall promptly (but in any event within ten (10) days), upon determining to seek such deferral, deliver to each Requesting Holder (or requesting Holders under Clause 1.3) a certified copy of the board resolution of the Company resolving to defer such filing pursuant to this Clause 1.1.6 and a general statement of the reason for such deferral and an approximation of the anticipated delay. Within twenty (20) days after receiving such certificate, the Holders of a majority of the Registrable Shares held by the Requesting Holders and for which registration was previously requested may withdraw such Demand Request by giving notice to the Company; if withdrawn, the Demand Request shall be deemed not to have been made for all purposes of this Agreement. The Company may exercise its rights pursuant to this Clause 1.1.6 no more than twice in the aggregate and no more than once in any twelve (12) month period.

1.2 Piggyback Registrations.

1.2.1 Right to Piggyback. Each time the Company proposes to register any of its equity securities (other than pursuant to an Excluded Registration) under the Securities Act for sale to the public (whether for the account of the Company or the account of any security holder of the Company)

and the form of registration statement to be used permits the registration of Registrable Shares, the Company shall give prompt written notice to each Holder of Registrable Shares (which notice shall be given not less than thirty (30) days prior to the effective date of the Company's registration statement), which notice shall offer each such Holder the opportunity to include any or all of its or his Registrable Shares in such registration statement or, at the Company's option, in a separate registration statement filed concurrently therewith, subject to the limitations contained in Clause 1.2.2 hereof. Each Holder who desires to have its or his Registrable Shares included in such registration statement shall so advise the Company in writing (stating the number of shares desired to be registered) within twenty (20) days after the date of such notice from the Company. Any Holder shall have the right to withdraw such Holder's request for inclusion of such Holder's Registrable Shares in any registration statement pursuant to this Clause 1.2.1 by giving written notice to the Company of such withdrawal. Subject to Clause 1.2.2 below, the Company shall include in such registration statement all such Registrable Shares so requested to be included therein; provided, that, the Company may at any time withdraw or cease proceeding with any such registration if it shall at the same time withdraw or cease proceeding with the registration of all other equity securities originally proposed to be registered.

1.2.2 Priority on Registrations. If the Registrable Shares requested to be included in the registration statement by any Holder differ from the type of securities proposed to be registered by the Company and the managing underwriter advises the Company that due to such differences the inclusion of such Registrable Shares would cause a Material Adverse Effect, then (a) the number of such Holder's or Holders' Registrable Shares to be included in the registration statement shall be reduced to an amount which, in the reasonable judgment of the managing underwriter, would eliminate such Material Adverse Effect or (b) if no such reduction would, in the reasonable judgment of the managing underwriter, eliminate such Material Adverse Effect, then the Company shall have the right to exclude all such Registrable Shares from such registration statement; provided, that, no other securities of such type are included and offered for the account of any other Person in such registration statement. Any partial reduction in number of Registrable Shares to be included in the registration statement pursuant to clause (a) of the immediately preceding sentence shall be effected pro rata based on the ratio which such Holder's requested shares bears to the total number of shares requested to be included in such registration statement by all Persons who have requested (pursuant to contractual registration rights) that their shares be included in such registration statement. If the Registrable Shares requested to be included in the registration statement are of the same type as the securities being registered by the Company and the managing underwriter advises the Company in writing that the inclusion of such Registrable Shares would cause a Material Adverse Effect then the number of Registrable Shares to be included in the registration statement shall be reduced by an amount which, in the reasonable judgment of the managing underwriter, will eliminate such Material Adverse Effect, and the Company will be obligated to include in such registration statement, as to each Requesting Holder, only that portion of the shares such Holder has requested be registered equal to the ratio which such Holder's requested shares bears to the total number of shares requested to be included in such registration statement by all Persons who have requested (pursuant to contractual registration rights) that their shares be included in such registration statement. If as a result of the provisions of this Clause 1.2.2 any Holder shall not be entitled to include all Registrable Securities in a registration that such Holder has requested to be so included, such Holder may withdraw such Holder's request to include Registrable Shares in such registration statement by giving written notice to the Company of such withdrawal at any time prior to the effective date of such registration statement. No Person may participate in any registration statement hereunder unless such Person (i) agrees to sell such Person's Registrable Shares on the basis provided in any underwriting arrangements approved by the Company and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements, and other documents, each in customary form, reasonably required under the terms of such underwriting arrangements; provided, that, no such Person shall be required to make any representations or warranties in connection with any such registration other than representations and warranties as to (A) such Person's ownership of his or its Registrable Shares to be sold or transferred free

and clear of all Liens, (B) such Person's power and authority to effect such Transfer, and (C) such matters pertaining to such Person's compliance with securities laws and other applicable laws and governmental rules and regulations, if any, as may be reasonably requested; provided further, that the obligation of such Person to indemnify pursuant to any such underwriting arrangements shall be several, not joint and several, among such Persons selling Registrable Shares, and the liability of each such Person will be in proportion to, and such liability will be limited to, the net amount received by such Person from the sale of his or its Registrable Shares pursuant to such registration.

1.3 **Registration on Form S-3.**

1.3.1 **Request for Registration.**

(a) Any Holder or Holders who are members of the WLR Group may request in writing (the "**S-3 Request**") that the Company file a registration statement on Form S-3 or any successor thereto for a public offering of all or any portion of the shares of Registrable Shares held by such Requesting Holder or Holders (an "**S-3 Registration**"); provided, that, the Company shall not be obligated to effect any such registration if the Company is not then a registrant entitled to use Form S-3 or any successor thereto to register such shares for secondary sales. Each S-3 Request shall specify the number of Registrable Shares proposed to be sold and the intended method of disposition of the Registrable Shares proposed to be sold thereunder; provided, that, in no event may the method of disposition for a registration statement pursuant to this Clause 1.3 be an underwritten public offering. There shall be no limitation on the number of S-3 Registrations which may be requested and obtained by under this Clause 1.3. A registration under this Clause 1.3 shall not constitute a Demand Registration.

(b) If the requirements in Clause 1.3.1(a) are satisfied, then, subject to Clause 1.1.6, the Company shall file the requested registration statement within ninety (90) days after receiving an S-3 Request (the "**Required S-3 Filing Date**") and shall use all commercially reasonable efforts to cause the same to be declared effective by the SEC as promptly as practicable after such filing. Subject to the provisions of Clause 1.3.1(a), the Company shall be required to maintain the effectiveness of such S-3 Registration for as long as there are Registrable Shares registered thereunder.

1.3.2 **Rights of Nonrequesting Holders.** Upon receipt of any S-3 Request, the Company shall promptly (but in any event within ten (10) days) give written notice of such proposed S-3 Registration to all other Holders, who shall have the right, exercisable by written notice to the Company within twenty (20) days of their receipt of the Company's notice, to elect to include in such S-3 Registration such portion of their Registrable Shares as they may request.

1.4 **Holdback Agreement.** Unless the managing underwriter otherwise agrees, each of the Company and the Holders agrees (and the Company agrees, in connection with any underwritten registration, to use its reasonable efforts to cause its Affiliates to agree) not to effect any public sale or private offer or distribution of any Securities during the ten (10) Business Days prior to the effectiveness under the Securities Act of any underwritten registration and during such time period after the effectiveness under the Securities Act of any underwritten registration (not to exceed one hundred eighty (180) days) (except, if applicable, as part of such underwritten registration) as the Company and the managing underwriter may agree; provided, that, no Non-WLR Group Holders shall have a lock-up period longer than the shortest lock-up period required of any executive officer, director or WLR Group Holder in connection with such registration. To evidence the Holders' obligations under this Clause 1.4, each Holder agrees to execute and deliver to the Company and the underwriters in an underwriting offering to which Clause 1.4 applies, such lock-up agreements as requested by the Company or the managing underwriter, in customary form and substance reasonably acceptable to the Company and consistent with this Clause 1.4.

1.5 **Registration Procedures.** Whenever any Holder has requested that any Registrable Shares be registered pursuant to this Agreement, the Company will use its commercially reasonable efforts to effect the registration and the sale of such Registrable Shares in accordance with the intended method of disposition thereof, and pursuant thereto the Company will as expeditiously as possible (subject to the provisions of this Schedule 1):

(i) prepare and file with the SEC a registration statement on any appropriate form under the Securities Act with respect to such Registrable Shares and use its commercially reasonable efforts to cause such registration statement to become effective;

(ii) prepare and file with the SEC such amendments, post-effective amendments, and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not less than one hundred eighty (180) days (or such lesser period as is necessary for the underwriters in an underwritten offering to sell unsold allotments) and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

(iii) furnish to each seller of Registrable Shares and the underwriters of the securities being registered such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus), any documents incorporated by reference therein and such other documents as such seller or underwriters may reasonably request in order to facilitate the disposition of the Registrable Shares owned by such seller or the sale of such securities by such underwriters (it being understood that, subject to Clause 1.6 and the requirements of the Securities Act and applicable state securities laws, the Company consents to the use of the prospectus and any amendment or supplement thereto by each seller and the underwriters in connection with the offering and sale of the Registrable Shares covered by the registration statement of which such prospectus, amendment or supplement is a part);

(iv) use its commercially reasonable efforts to register or qualify such Registrable Shares under such other securities or blue sky laws of such jurisdictions as the managing underwriter reasonably requests (or, in the event the registration statement does not relate to an underwritten offering, as the holders of a majority of such Registrable Shares may reasonably request); use its commercially reasonable efforts to keep each such registration or qualification (or exemption therefrom) effective during the period in which such registration statement is required to be kept effective; and do any and all other acts and things which may be reasonably necessary or advisable to enable each seller to consummate the disposition of the Registrable Shares owned by such seller in such jurisdictions (provided, that, the Company will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph or (B) consent to general service of process in any such jurisdiction);

(v) promptly notify each seller and each underwriter and (if requested by any such Person) confirm such notice in writing (A) when a prospectus or any prospectus supplement or post-effective amendment has been filed and, with respect to a registration statement or any post-effective amendment, when the same has become effective, (B) of the issuance by any state securities or other regulatory authority of any order suspending the qualification or exemption from qualification of any of the Registrable Shares under state securities or "blue sky" laws or the initiation of any proceedings for that purpose, and (C) of the happening of any event which makes

any statement made in a registration statement or related prospectus untrue or which requires the making of any changes in such registration statement, prospectus or documents so that they will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and, as promptly as practicable thereafter, prepare and file with the SEC and furnish a supplement or amendment to such prospectus so that, as thereafter deliverable to the purchasers of such Registrable Shares, such prospectus will not contain any untrue statement of a material fact or omit a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(vi) make generally available to the Company's security holders an earning statement satisfying the provisions of Section 11(a) of the Securities Act no later than fifteen (15) months after the end of the Company's first fiscal quarter commencing after the effective date of a registration statement, which earning statement shall cover the twelve (12) month period commencing the first day of such fiscal quarter, and which requirement will be deemed to be satisfied if the Company timely files complete and accurate information on Forms 10-Q, 10-K and 8-K under the Exchange Act and otherwise complies with Rule 158 under the Securities Act;

(vii) if requested by the managing underwriter or any seller promptly incorporate in a prospectus supplement or post-effective amendment such information as the managing underwriter or any seller reasonably requests in writing to be included therein, including, without limitation, with respect to the Registrable Shares being sold by such seller, the purchase price being paid therefore by the underwriters and with respect to any other terms of the underwritten offering of the Registrable Shares to be sold in such offering, and promptly make all required filings of such prospectus supplement or post-effective amendment; provided, that, the Company shall have no obligation to include any such information which it reasonably believes to be materially false, incomplete or misleading or which would make other statements in such prospectus or registration statement materially false, incomplete or misleading;

(viii) as promptly as practicable after filing with the SEC of any document that is incorporated by reference into a registration statement (in the form in which it was incorporated), notify each seller that such document is available on the SEC's website;

(ix) cooperate with the sellers and the managing underwriter to facilitate the timely preparation and delivery of certificates (which shall not bear any restrictive legends unless required under applicable law) representing securities sold under the registration statement, and enable such securities to be in such denominations and registered in such names as the managing underwriter or such sellers may request and keep available and make available to the Company's transfer agent prior to the effectiveness of such registration statement a supply of such certificates;

(x) promptly make available for inspection by any seller, any underwriter participating in any disposition pursuant to any registration statement, and any attorney, accountant or other agent or representative retained by any such seller or underwriter (collectively, the "**Inspectors**"), all financial and other records, pertinent corporate documents and properties of the Company (collectively, the "**Records**"), as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information requested by any such Inspector in connection with such registration statement; provided, that, unless the disclosure of such Records is necessary to avoid or correct a misstatement or omission in the registration statement or the release of such Records is ordered pursuant to a subpoena or other order from a court of

competent jurisdiction, the Company shall not be required to provide any information under this subparagraph (x) if (A) the Company believes, after consultation with counsel for the Company, that to do so would cause the Company to forfeit an attorney-client privilege that was applicable to such information or (B) if either (1) the Company has requested and been granted from the SEC confidential treatment of such information contained in any filing with the SEC or documents provided supplementally or otherwise or (2) the Company reasonably determines in good faith that such Records are confidential and so notifies the Inspectors in writing unless prior to furnishing any such information with respect to (A) or (B) or such Holder of Registrable Securities requesting such information agrees to enter into a confidentiality agreement in customary form and subject to customary exceptions; and provided, further, that each Holder of Registrable Securities agrees that it will, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company and allow the Company, at its expense, to undertake appropriate action and to prevent disclosure of the Records deemed confidential;

(xi) furnish to each seller and underwriter a signed counterpart of (A) an opinion or opinions of counsel to the Company, and (B) a comfort letter or comfort letters from the Company's independent public accountants, each in customary form and covering such matters of the type customarily covered by opinions or comfort letters, as the case may be, as the sellers or managing underwriter reasonably requests;

(xii) use all its reasonable best efforts to cause the Registrable Shares included in any registration statement to be (A) listed on each securities exchange, if any, on which similar securities issued by the Company are then listed, or (B) authorized to be quoted or listed (to the extent applicable) on the Over-the-Counter Bulletin Board;

(xiii) provide a CUSIP number for the Registrable Shares included in any registration statement not later than the effective date of such registration statement;

(xiv) cooperate with each seller and each underwriter participating in the disposition of such Registrable Shares and their respective counsel in connection with any filings required to be made with the Financial Industry Regulatory Authority ("**FINRA**");

(xv) during the period when the prospectus is required to be delivered under the Securities Act, promptly file all documents required to be filed with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act;

(xvi) notify each seller of Registrable Shares promptly of any request by the SEC for the amending or supplementing of such registration statement or prospectus or for additional information, and provide each seller of Registrable Shares with copies of all correspondence with or from the SEC, the FINRA or any Governmental Authority in connection with the proposed registration;

(xvii) prepare and file with the SEC promptly any amendments or supplements to such registration statement or prospectus, which, in the opinion of counsel for the Company or the managing underwriter, is required in connection with the distribution of the Registrable Shares;

(xviii) enter into such agreements (including underwriting agreements) as are customary in connection with an underwritten registration; and

(xix) advise each seller of such Registrable Shares, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the SEC suspending the effectiveness of such registration statement or the initiation or threatening of any proceeding for such purpose and promptly use its best efforts to prevent the issuance of any stop order or to obtain its withdrawal at the earliest possible moment if such stop order should be issued.

1.6 **Suspension of Dispositions.** Each Holder agrees by acquisition of any Registrable Shares that, upon receipt of any notice (a "**Suspension Notice**") from the Company of the happening of any event of the kind described in Clause 1.5(v)(C), such Holder will forthwith discontinue disposition of Registrable Shares until such Holder's receipt of the copies of the supplemented or amended prospectus, or until it is advised in writing (the "**Advice**") by the Company that the use of the prospectus may be resumed, and has received copies of any additional or supplemental filings which are incorporated by reference in the prospectus, and, if so directed by the Company, such Holder will deliver to the Company all copies, other than permanent file copies then in such Holder's possession, of the prospectus covering such Registrable Shares current at the time of receipt of such notice. In the event the Company shall give any such notice, the time period regarding the effectiveness of registration statements set forth in Clause 1.5(ii) hereof shall be extended by the number of days during the period from and including the date of the giving of the Suspension Notice to and including the date when each seller of Registrable Shares covered by such registration statement shall have received the copies of the supplemented or amended prospectus or the Advice. The Company shall use its commercially reasonable efforts and take such actions as are reasonably necessary to render the Advice as promptly as practicable. The delivery of a Suspension Notice and any and all information included therein is (a) material nonpublic information as that term is used in the Exchange Act and (b) Information subject to the provisions of Section 8.13 of the Agreement.

1.7 **Registration Expenses.** Subject to the provisions of Clauses 1.1.2 and 1.3.1(a), expenses incident to the Company's performance of or compliance with the provisions of this Schedule including, without limitation, all registration and filing fees, all fees and expenses associated with filings required to be made with the FINRA (including, if applicable, the fees and expenses of any "qualified independent underwriter" as such term is defined in Schedule E of the By-Laws of the FINRA, and of its counsel), as may be required by the rules and regulations of the FINRA, fees and expenses of compliance with securities or "blue sky" laws (including reasonable fees and disbursements of counsel in connection with "blue sky" qualifications of the Registrable Shares), rating agency fees, printing expenses (including expenses of printing certificates for the Registrable Shares in a form eligible for deposit with Depository Trust Company and of printing prospectuses if the printing of prospectuses is requested by a holder of Registrable Shares), messenger and delivery expenses, the Company's internal expenses (including without limitation all salaries and expenses of its officers and employees performing legal or accounting duties), the fees and expenses incurred in connection with any listing of the Registrable Shares, fees and expenses of counsel for the Company and its independent certified public accountants (including the expenses of any special audit or "cold comfort" letters required by or incident to such performance), securities acts liability insurance (if the Company elects to obtain such insurance), the fees and expenses of any special experts retained by the Company in connection with such registration, and the fees and expenses of other Persons retained by the Company and reasonable fees and expenses of one firm of counsel for the sellers (which shall be selected by the Holder requesting such registration or in the case of a piggyback registration pursuant to Clause 1.2 by the holders of a majority of the Registrable Shares being included in any particular registration statement) (all such expenses being herein called "**Registration Expenses**") will be borne by the Company whether or not any registration statement becomes effective; provided, that, in no event shall Registration Expenses include any underwriting discounts, commissions, or fees attributable to the sale of the Registrable Shares or any counsel (except as provided above), accountants, or other Persons retained or employed by the Holders.

1.8 **Indemnification.**

1.8.1 The Company agrees to indemnify and reimburse, to the fullest extent permitted by law, each seller of Registrable Shares, and each of its employees, advisors, agents, representatives, partners, officers, shareholders, members and directors and each Person who controls such seller (within the meaning of the Securities Act or the Exchange Act) and any agent or investment advisor thereof (collectively, the “**Seller Affiliates**”) (a) against any and all losses, claims, damages, liabilities, and expenses, joint or several (including, without limitation, attorneys’ fees and disbursements except as limited by Clause 1.8.3) based upon, arising out of, related to or resulting from any untrue or alleged untrue statement of a material fact contained in any registration statement, prospectus, or preliminary prospectus or any amendment thereof or supplement thereto, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, (b) against any and all loss, liability, claim, damage, and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation or investigation or proceeding by any Governmental Authority, commenced or threatened, or of any claim whatsoever based upon, arising out of, related to or resulting from any such untrue statement or omission or alleged untrue statement or omission, and (c) against any and all costs and expenses (including reasonable fees and disbursements of counsel) as may be reasonably incurred in investigating, preparing, or defending against any litigation, or investigation or proceeding by any Governmental Authority, commenced or threatened, or any claim whatsoever based upon, arising out of, related to or resulting from any such untrue statement or omission or alleged untrue statement or omission, to the extent that any such expense or cost is not paid under subparagraph (a) or (b) above; except insofar as the same are made in reliance upon and in strict conformity with information furnished in writing to the Company by such seller or any Seller Affiliate specifically for use therein or arise from such seller’s or any Seller Affiliate’s failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after the Company has furnished such seller or Seller Affiliate with a sufficient number of copies of the same. The reimbursements required by this Clause 1.8.1 will be made by periodic payments during the course of the investigation or defense, as and when bills are received or expenses incurred.

1.8.2 In connection with any registration statement in which a seller of Registrable Shares is participating, each such seller will furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the fullest extent permitted by law, each such seller will indemnify the Company and its directors and officers and each Person who controls the Company (within the meaning of the Securities Act or the Exchange Act) against any and all losses, claims, damages, liabilities, and expenses (including, without limitation, reasonable attorneys’ fees and disbursements except as limited by Clause 1.8.3) based upon, arising out of, related to or resulting from any untrue statement or alleged untrue statement of a material fact contained in the registration statement, prospectus, or any preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or alleged untrue statement or omission or alleged omission is contained in any information or affidavit so furnished in writing by such seller or any of its Seller Affiliates specifically for inclusion in the registration statement; provided, that, the obligation to indemnify will be several, not joint and several, among such sellers of Registrable Shares, and the liability of each such seller of Registrable Shares will be in proportion to the number of Registrable Shares included on any registration statement by such seller, and provided, further, that such liability will be limited to, the net amount received by such seller from the sale of Registrable Shares pursuant to such registration statement; provided, that, such seller of Registrable Shares shall not be liable in any such case to the extent that prior to the filing of any such registration statement or prospectus or amendment thereof or supplement thereto, such seller has furnished in writing to the Company information expressly for use

in such registration statement or prospectus or any amendment thereof or supplement thereto which corrected or made not misleading information previously furnished to the Company.

1.8.3 Any Person entitled to indemnification hereunder will (a) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided, that, the failure to give such notice shall not limit the rights of such Person except to the extent that the indemnifying party is materially prejudiced thereby) and (b) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided, that, any person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Person unless (i) the indemnifying party has agreed to pay such fees or expenses, (ii) the indemnifying party shall have failed to assume the defense of such claim and employ counsel reasonably satisfactory to such Person, (iii) the named parties to any such action or proceeding (including any impleaded parties) include both such indemnified party and the indemnifying party, and such indemnified party shall have been advised by counsel in writing that there is a conflict of interest on the part of counsel employed by the indemnifying party to represent such indemnified party, or (iv) the indemnified party's counsel shall have advised the indemnified party that there are defenses available to the indemnified party that are different from or in addition to those available to the indemnifying party and that the indemnifying party is not able to assert on behalf of or in the name of the indemnified party (in which case of either (iii) or (iv), if such indemnified party notifies the indemnifying party in writing that it elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such action or proceeding on behalf of such indemnified party but shall have the right to participate through its own counsel). If such defense is not assumed by the indemnifying party as permitted hereunder, the indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld). If such defense is assumed by the indemnifying party pursuant to the provisions hereof, such indemnifying party shall not settle or otherwise compromise the applicable claim unless (A) such settlement or compromise contains a full and unconditional release of the indemnified party or (B) the indemnified party otherwise consents in writing. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party, a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim, in which event the indemnifying party shall be obligated to pay the reasonable fees and disbursements of such additional counsel or counsels.

1.8.4 Each party hereto agrees that, if for any reason the indemnification provisions contemplated by Clause 1.8.1 or Clause 1.8.2 are unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, liabilities, or expenses (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party in connection with the actions which resulted in the losses, claims, damages, liabilities or expenses as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Clause 1.8.4 were determined by pro rata allocation (even if the Holders or any

underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Clause 1.8.4. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or, except as provided in Clause 1.8.3, defending any such action or claim. Notwithstanding the provisions of this Clause 1.8.4, no Holder shall be required to contribute an amount greater than the dollar amount by which the proceeds received by such Holder with respect to the sale of any Registrable Shares exceeds the amount of damages which such Holder has otherwise been required to pay by reason of any and all untrue or alleged untrue statements of material fact or omissions or alleged omissions of material fact made in any registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto related to such sale of Registrable Securities. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Holders' obligations in this Clause 1.8.4 to contribute shall be several in proportion to the amount of Registrable Shares registered by them and not joint.

If indemnification is available under this Clause 1.8, the indemnifying parties shall indemnify each indemnified party to the full extent provided in Clause 1.8.1 and Clause 1.8.2 without regard to the relative fault of said indemnifying party or indemnified party or any other equitable consideration provided for in this Clause 1.8.4.

The indemnification and contribution provided for under this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, or controlling Person of such indemnified party and will survive the Transfer of securities.

SCHEDULE 2

2.1 Non-Competition; Non-Solicitation; Confidentiality.

2.1.1 During the Restricted Period, each Non-WLR Group Holder shall not, directly or indirectly, (i) engage in any Competitive Activities; (ii) cause, solicit, induce or encourage any Employee employed or engaged by the Company or any Subsidiary (each, a “**Restricted Employee**”) to leave such employment or to apply for or accept employment (or otherwise become engaged with) with any Person (other than the Company or any Subsidiary); (iii) cause, solicit, induce or encourage any current, former (with which the Company or any Subsidiary has done business in the twelve (12) months preceding the Closing Date) or prospective client, customer, supplier, or licensor of the Company or any Subsidiary or any other Person who has a business relationship with the Company or any Subsidiary, to terminate or modify any such current or prospective relationship or to interfere with any such current or prospective relationship; or (iv) solicit for business or transact business with involving a Competitive Business, in any way, any current, former (with which the Company or any Subsidiary) has done business in the twelve (12) months preceding the Closing Date) or prospective client, customer, supplier, or licensor of the Company, any Subsidiary, the Purchaser, PBM GP or any of their respective Subsidiaries.

2.1.2 The restrictions in this Schedule 2 shall not apply to (i) the placement of general advertisements or other notices of employment opportunities which are not targeted directly or indirectly towards Restricted Employees; provided, that during the Restricted Period no Non-WLR Group Holder may hire or otherwise engage any Restricted Employee that responds to any such general advertisements or other notices of employment opportunities, or (ii) any solicitation of any Restricted Employee whose employment by the Company or any of its Subsidiaries has been terminated by the Company prior to such solicitation.

2.1.3 It will not be a violation of the restrictive covenants set forth in this Schedule 2 for any Non-WLR Group Holder that was a Seller pursuant to the Purchase Agreements (i) to invest in publicly-traded equity securities of a Competitive Business constituting less than two percent (2%) of the outstanding securities of such class or (ii) to own shares of stock or other equity securities in any mutual fund or to own less than five percent (5%) of the equity securities of a private equity or other private investment fund that owns a Competitive Business. The Company further acknowledges and agrees that with respect to OPE and its Permitted Transferees, such Person’s involvement in the ownership, management and operation of the lines of business set forth on Schedule 6.1(c) to the applicable Purchase Agreements shall not constitute a violation of the restrictive covenants set forth in this Schedule 2.

2.1.4 The covenants and undertakings contained in this Schedule 2 relate to matters which are of a special, unique and extraordinary character, and each of the Non-WLR Group Holders acknowledges and agrees that a violation of any of the terms of this Schedule 2 will cause irreparable harm to the Company and the Subsidiaries, the amount of which will be impossible to estimate or determine and which cannot be adequately compensated. Accordingly, each Non-WLR Group Holder acknowledges and agrees that the remedy at law for any breach of this Schedule 2 will be inadequate. Therefore, each Non-WLR Group Holder acknowledges and agrees that the Company and Subsidiaries will be entitled to an injunction, restraining order or other equitable relief from any court of competent jurisdiction in the event of any breach or threatened breach of this Schedule 2 without the necessity of proving actual damages or posting any bond whatsoever. The rights and remedies provided by this Schedule 2 are cumulative and in addition to any other rights and remedies that the Company or the Subsidiaries may have hereunder or at law or in equity. If any Non-WLR Group Holder violates this Schedule 2, then the period of time during which the provisions thereof are applicable will automatically be extended for a period of time equal to the time that such violation began until such violation permanently ceases.

2.1.5 Each Non-WLR Group Holder represents to the Company and the Subsidiaries that it is willing and able to engage in businesses that are not restricted pursuant to this Schedule 2 and that enforcement of the restrictive covenants set forth in this Schedule 2 will not be unduly burdensome to such Seller. Each Non-WLR Group Holder acknowledges that its agreement to the restrictive covenants set forth in this Schedule 2 is a material inducement and condition to the Purchaser's and PBM GP's willingness to enter into the Purchase Agreement, the Company's willingness to enter into this Agreement, and the Purchaser's, PBM GP's and the Company's willingness to perform their respective obligations hereunder and thereunder. Each Non-WLR Group Holder acknowledges and agrees that the restrictive covenants and remedies set forth in this Schedule 2 are reasonable as to time, geographic area and scope of activity and do not impose a greater restraint than is necessary to protect the goodwill and legitimate business interests of the Company, the Subsidiaries and their respective Affiliates.

2.1.6 Notwithstanding anything contained in this Agreement, if the restrictive covenants set forth in this Schedule 2 are found by a court of competent jurisdiction to contain limitations as to time, geographic area or scope of activity that are not reasonable or not necessary to protect the goodwill or legitimate business interests of the Company, the Subsidiaries, and their respective Affiliates, then such court is hereby authorized and directed to reform such provisions to the minimum extent necessary to cause the limitations contained in this Schedule 2 as to time, geographical area and scope of activity to be reasonable and to impose a restraint that is not greater than necessary to protect the goodwill and legitimate business interests of the Company, the Subsidiaries, and their respective Affiliates.

2.1.7 The existence of any claim or cause of action by any Non-WLR Group Holder against the Company or the Subsidiaries, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the restrictive covenants contained in this Schedule 2 or preclude injunctive relief.

Exhibit A

- 1) Robert Tyler Wallach
- 2) Jeremy House
- 3) Dan Arnold
- 4) Matt Arnold

Schedule 2.1.1(a)

Wallach Holders

Robert Ray Wallach

Susan K. Wallach

Robert Tyler Wallach

Sara Elizabeth Wallach

Bryce William Wallach

Any child of the Persons listed above (living at closing or born after closing, but including only children by birth and excluding children by marriage or adoption).

Schedule 2.1.1(b)

Crockett/Highland Holders

- First Generation: Any of Larry Bates, Ryan Hoerauf and Dan Arnold
- Second Generation: The adult children of Larry Bates, Ryan Hoerauf and Dan Arnold (including only children by birth and excluding children by marriage or adoption, but also including Jeremy House, the son-in-law of Larry Bates)
- Third Generation: Any children of the Second Generation (living at closing or born after closing, but including only children by birth and excluding children by marriage or adoption).

EXHIBIT B
(Pledge Agreement)

AMENDED AND RESTATED PLEDGE AGREEMENT

This AMENDED AND RESTATED PLEDGE AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, this "Agreement") is entered into to be effective as of **February 4, 2018** (the "Effective Date"), by and between **O'RYAN PRODUCTION & EXPLORATION, LTD.**, a Texas limited partnership, ("Pledgor," whether one or more), and **LONE STAR STATE BANK OF WEST TEXAS** (together with its successors and assigns, "Pledgee").

1. For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and as collateral security for and to secure the prompt payment and performance of the Borrower's (as hereinafter defined) obligations under that certain Promissory Note dated **February 28, 2019** having a face amount of **\$42,147,769.80** executed by **O'Ryan Family Limited Partnership, O'Ryan Production & Exploration, Ltd., Smackover Oil Treaters, Ltd., Amber Hoerauf Trust, Mathew Hoerauf Trust and Scanrock Oil & Gas, Inc.** (hereinafter sometimes referred to collectively as "Borrower," whether one or more) and payable to the order of **Lone Star State Bank of West Texas** (hereinafter sometimes referred to as "Lender") as further described in that certain Restated Loan Agreement dated **February 28, 2019** by, between and among Lender, Borrower and **Ryan C. Hoerauf, Ryan Properties, Inc., Ryan C. Hoerauf, Inc., O'Ryan Ranches, Ltd., EON Production, LLC, O'Ryan Ponderosa, LLC, O'Ryan Oregon Ranches, LLC and the Ryan C. Hoerauf 2008 Delaware Trust** (as amended, restated, amended and restated, extended, joined, supplemented or otherwise modified from time to time, collectively the "Loan Agreement" and all of which indebtedness owed by Borrower under the Promissory Note and Loan Agreement are hereinafter referred to as "Obligations"), Pledgor hereby grants to Pledgee for the benefit of Pledgee, a continuing security interest in all of the capital stock, securities and membership interests and partnership interests, if any, limited liability company interests, if any, or other equity interests (collectively, the "Equity Interests") of Pledgor, including, without limitation, all Equity Interests identified on Exhibit "A", attached hereto and made a part hereof, and any other Equity Interests of Pledgor issued in connection with the initial Pledged Equity (set forth on Exhibit "A" attached hereto), whether now or hereafter issued by Borrower (any and all such Equity Interests in Borrower, collectively, the "Pledged Equity") (the Pledged Equity, together with all proceeds, products and increases thereof and substitutions and replacements therefor, collectively, the "Collateral").

2. Pledgor represents and warrants that (i) Pledgor is the legal and beneficial owner of the Collateral, free and clear of all liens and encumbrances (other than Permitted Encumbrances (as defined in the Loan Agreement)); (ii) there are no restrictions upon the transfer of any of the Collateral, other than as may appear and may be referenced on the face of any certificates, may be referenced in the governing documents of the Borrower or other than arising under applicable state or federal securities laws; (iii) Pledgor owns the Equity Interests as set forth on Exhibit "A" attached hereto; (iv) there are no existing obligations to issue Equity Interests, other equity interests or securities convertible into Equity Interests of the Borrower and in no event will Pledgor permit any such Equity Interests to be issued to a Person other than Pledgor prior to the termination of this Agreement by mutual written agreement between Pledgor and Pledgee or in accordance with Section 20 of this Agreement; (v) upon the filing of a financing statement naming Pledgor as debtor and Pledgee as secured party, filed in the jurisdiction of organization of Pledgor, and covering the Collateral, the liens granted pursuant to

this Agreement will constitute a valid, perfected first priority lien on the Pledged Equity, for which no certificates representing such Equity Interests exist; (vi) upon the delivery of the original certificates, the liens granted pursuant to this Agreement will constitute a valid, perfected first priority lien on the Pledged Equity, for which certificates representing such Equity Interests exist and (vii) there are no existing securities or obligations of the Borrower the amount of which obligation is based, in whole or in part, on the value of the Equity Interests or any increase thereof, nor will Pledgor permit any such securities or obligations to exist prior to termination of this Agreement by mutual written agreement between Pledgor and Pledgee or in accordance with Section 20 of this Agreement. Pledgor also represents and warrants that (i) Borrower has not made any calls for capital which have not been fully paid by Pledgor or any other member, partner, shareholder or other equity holder, as applicable, of the Borrower, (ii) neither Pledgor nor the Borrower are in default under any operating agreement, company agreement, partnership agreement, bylaws or any other organizational document of the Borrower, as applicable, and (iii) neither the making of this Agreement, nor the exercise of any rights or remedies of Pledgee hereunder will cause a default under any operating agreement, company agreement, partnership agreement, bylaws or any other organizational document of the Borrower. Each of Pledgor and Borrower is and will remain in compliance in all material respects with all U.S. economic sanctions laws, Executive Orders and implementing regulations as promulgated by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), and all applicable anti-money laundering and counter-terrorism financing provisions of the Bank Secrecy Act and all regulations issued pursuant to it. Neither Pledgor nor Borrower (i) is a person designated by the U.S. government on the list of the Specially Designated Nationals and Blocked Persons (the "SDN List") with which a U.S. person cannot deal with or otherwise engage in business transactions, (ii) is a person who is otherwise the target of U.S. economic sanctions laws such that a U.S. person cannot deal or otherwise engage in business transactions with such Person or (iii) is controlled by (including without limitation by virtue of such person being a director or owning voting shares or interests), or acts, directly or indirectly, for or on behalf of, any person or entity on the SDN List or a foreign government that is the target of U.S. economic sanctions prohibitions such that the entry into, or performance under, this Agreement or any other Loan Document would be prohibited under U.S. law. Neither Pledgor nor Borrower is in violation in any material respect of (a) the Trading with the Enemy Act, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (b) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, P.L. 107-56, as amended, and (c) other federal or state laws relating to "know your customer" and anti-money laundering rules and regulations.

3. In furtherance of Pledgee's security interest in the Collateral, Pledgor agrees to deliver to Pledgee, on or before the date of this Agreement, any and all certificates, if any, representing the Collateral identified on Exhibit "A" attached hereto, together with transfer powers duly executed in blank by Pledgor.

4. Pledgor irrevocably authorizes Pledgee at any time and from time to time, in each case after the occurrence and during the continuance of an Event of Default, in the sole discretion of the Pledgee and appoints the Pledgee as its attorney-in-fact (i) to execute on behalf of Pledgor as debtor and to file financing statements necessary or desirable in the Pledgee's sole discretion to perfect and to maintain the perfection and priority of the Pledgee's security interest

in the Collateral, (ii) to endorse and collect any cash proceeds of the Collateral, (iii) to file a carbon, photographic or other reproduction of this Agreement or any financing statement with respect to the Collateral as a financing statement and to file any other financing statement or amendment of a financing statement in such offices as Pledgee in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of Pledgee's security interest in the Collateral, (iv) to contact and enter into one or more agreements with the issuers of uncertificated securities which are Collateral or with securities intermediaries holding Collateral as may be necessary or advisable to give Pledgee control over such Collateral, (v) to apply the proceeds of any Collateral received by Pledgee to the Obligations as provided in the Loan Agreement, (vi) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral unless the same are being contested in good faith by appropriate proceedings in a diligent manner and (vii) to do all other acts and things necessary to carry out this Agreement; and Pledgor agrees to reimburse Pledgee for any payment made or any reasonable out-of-pocket expense incurred by Pledgee in connection with any of the foregoing; provided that, this authorization shall not relieve Pledgor of any of its obligations under this Agreement or under the Loan Agreement or any other Loan Document. All acts of said attorney or designee during the continuance of an Event of Default are hereby ratified and approved. The powers conferred on Pledgee, for the benefit of the Pledgee and Lender, under this Paragraph 4 are solely to protect Pledgee's interests in the Collateral and shall not impose any duty upon Pledgee or any Lender to exercise any such powers.

5. PLEDGOR HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS PLEDGEE AS ITS PROXY AND ATTORNEY IN FACT (AS SET FORTH IN PARAGRAPH 4 ABOVE) WITH RESPECT TO ITS COLLATERAL, INCLUDING THE RIGHT TO VOTE SUCH COLLATERAL, WITH FULL POWER OF SUBSTITUTION TO DO SO, EXERCISABLE ONLY DURING THE CONTINUANCE OF AN EVENT OF DEFAULT. IN ADDITION TO THE RIGHT TO VOTE ANY SUCH COLLATERAL, THE APPOINTMENT OF PLEDGEE AS PROXY AND ATTORNEY-IN-FACT SHALL, AFTER THE OCCURRENCE AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT, INCLUDE THE RIGHT TO EXERCISE ALL OTHER RIGHTS, POWERS, PRIVILEGES AND REMEDIES TO WHICH A HOLDER OF SUCH COLLATERAL WOULD BE ENTITLED (INCLUDING GIVING OR WITHHOLDING WRITTEN CONSENTS OF SHAREHOLDERS, CALLING SPECIAL MEETINGS OF SHAREHOLDERS AND VOTING AT SUCH MEETINGS). SUCH PROXY SHALL BE EFFECTIVE, AUTOMATICALLY AND WITHOUT THE NECESSITY OF ANY ACTION (INCLUDING ANY TRANSFER OF ANY SUCH PLEDGED COLLATERAL ON THE RECORD BOOKS OF THE ISSUER THEREOF) BY ANY PERSON (INCLUDING THE ISSUER OF SUCH PLEDGED COLLATERAL OR ANY OFFICER OR LENDER THEREOF), UPON THE OCCURRENCE AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT. Notwithstanding anything to the contrary in Paragraph 4 above, if no Event of Default has occurred and is continuing hereunder, Pledgor shall have the right, where applicable, to exercise all rights, powers, privileges and remedies, including to vote and give consents, with respect to the Collateral for all purposes not inconsistent with the provisions of this Agreement, the Loan Agreement and the other Loan Documents, and Pledgee shall, if necessary, execute due and timely proxies in favor of Pledgor for this purpose.

6. Upon the occurrence and during the continuance of any Event of Default, Pledgee may exercise all of the rights and privileges in connection with the Collateral to which a transferee may be entitled as the record holder thereof, together with the rights and privileges otherwise granted hereunder, and Pledgor shall execute and deliver to Pledgee such additional documents as Pledgee shall reasonably request to evidence, and in furtherance of, the foregoing. Pledgee shall be under no obligation to exercise any of such rights or privileges.

7. If, with the consent of Pledgee, Pledgor shall substitute or exchange other securities in place of those herein mentioned, all of the rights and privileges of Pledgee and all of the obligations of Pledgor with respect to the securities originally pledged or held as Collateral hereunder shall be forthwith applicable to such substituted or exchanged securities.

8. Upon the occurrence and during the continuance of any Event of Default, Pledgee shall be authorized to collect all dividends, distributions and other amounts (including amounts received or receivable upon redemption or repurchase) that may be, or become, due on any of the Collateral. If Pledgor receives any such dividends, distributions, payments or amounts upon the occurrence and during the continuance of an Event of Default, it shall promptly endorse, if applicable, and deliver the same to Pledgee in the form received. All such amounts which Pledgee receives and retains in accordance with the terms of this Paragraph 8 shall be applied to reduce then outstanding Obligations as provided in the Loan Agreement. Upon the occurrence and during the continuance of any Event of Default, Pledgee is, furthermore, authorized to give receipts in the name of Pledgor for any amounts so received. Pledgee shall be under no obligation to collect any such dividends, distributions and other amounts.

9. In the event that, during the term of this Agreement, subscription warrants or any other rights or options shall be issued in connection with the Collateral, such warrants, rights or options shall be promptly collaterally assigned, upon written request of Pledgee, by Pledgor to Pledgee. If any such warrants, rights or options are exercised by Pledgor, all new securities so acquired by Pledgor shall be pledged to Pledgee in accordance with Section 11 hereof.

10. In the event that, during the term of this Agreement, any share, dividend, distribution, reclassification, readjustment, new issuance or other change to any part of the Collateral is declared or made in the capital structure of the Borrower, all new, substituted and additional shares, or other securities, issued by reason of any such change shall become part of the Collateral and shall be endorsed to, delivered to and held by Pledgee under the terms of this Agreement in the same manner as the securities originally pledged.

11. Pledgor authorizes Pledgee, without notice or demand, and without affecting the liability of Pledgor hereunder, from time to time to:

(A) hold security in addition to and other than the Collateral for the payment of the Obligations or any part thereof, and exchange, enforce, waive and release any Collateral or any part thereof, or any other such security, or part thereof;

(B) release any of the endorsers or guarantors of the Obligations secured hereunder or any part thereof, or any other person whomsoever liable for or on account of such Obligations;

(C) on the transfer of all or any part of the Obligations secured hereunder in accordance with the Loan Agreement, Pledgee may assign all or any part of Pledgee's security interest in the Collateral and shall be fully discharged thereafter from all liability and responsibility with respect to the Collateral so transferred arising after such transfer, provided that, in no event shall Pledgee be liable for any act or omission or negligent act or negligent omission with respect to the Collateral, other than acts or omissions violating the Loan Documents or constituting gross negligence, willful misconduct or tortuous breach of contract. The transferee of the Collateral shall be vested with the rights, powers and remedies of Pledgee hereunder to the extent of such transfer, and with respect to any Collateral not so transferred, Pledgee shall retain all rights, powers and remedies hereby given; and

(D) proceed against Pledgor, the Borrower or any other person whomsoever, to proceed against or exhaust any collateral or any other security held by Pledgee, or to pursue any other remedy available to Pledgee upon the occurrence and during the continuance of an Event of Default. Pledgor further waives any defense arising by reason of any liability or other defense of Pledgor or of any other person (other than payment and performance in full of the Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted)). Pledgor shall have no right to require Pledgee to marshal collateral.

12. It shall not be necessary for Pledgee to inquire into the powers of Pledgor or the officers, directors or agents acting or purporting to act on behalf of Pledgor, and any obligations made or created in reliance on the professed exercise of such powers shall be secured hereunder, unless resulting from the gross negligence, willful misconduct or fraud of Pledgee.

13. To the extent permitted by applicable law and except as set forth in the Loan Agreement, Pledgee shall be under no duty or obligation whatsoever to make or give any presentments, demands for performance, notices of non-performance, protests, notices of protest or notices of dishonor in connection with the Obligations.

14. "Event of Default" shall mean an "Event of Default" under the Loan Agreement, Promissory Notes and/or any and all other Agreements executed by and between Borrower and Lender.

15. Upon the occurrence and during the continuance of any Event of Default, the Obligations shall, at the option of Lender, become immediately due and payable, and Pledgee shall have all the rights and remedies provided in the Uniform Commercial Code as in effect in the State of Texas on the date of this Agreement and the Pledgee may, upon ten (10) days' prior written notice to Pledgor sent in accordance with Section 21 hereof, without liability for any diminution in value or price which may have occurred, sell all or any part of the Collateral in such manner and for such price as Pledgee may determine. Pledgor recognizes that Pledgee may be unable to effect a public sale of any or all of the Collateral and may be compelled to resort to one or more private sales thereof. Pledgor also acknowledges that any private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. Pledgee shall be under no obligation to delay a sale of any of the Collateral for the period of time necessary to permit Pledgor or the issuer of the Collateral to register such

securities for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws, even if Pledgor and the issuer would agree to do so. At any public or private sale, Pledgor, Grantor and Pledgee each shall be free to purchase all or any part of the Collateral. Pledgee shall receive the proceeds of any such sale or sales, and, after deducting therefrom any and all reasonable costs and expenses incurred in connection with the sale thereof, apply the net proceeds toward the payment of the Obligations secured hereunder in the manner set forth in the Loan Agreement, including accrued but unpaid interest, reasonable out-of-pocket attorneys' fees and all other reasonable costs, fees and expenses incurred by Pledgee hereunder and under any other agreement between Pledgor and Pledgee. If such proceeds be more than sufficient to pay the same, then in case of a surplus, such surplus shall be accounted for and paid over to Pledgor, provided Pledgor be not then indebted to Pledgee otherwise under this Agreement or any other Loan Documents or for any cause whatsoever (other than, for the avoidance of doubt, contingent indemnification obligations to the extent no claim giving rise thereto has been asserted).

16. Upon the termination of this Agreement by mutual written agreement between Pledgor and Pledgee or in accordance with Section 20 of this Agreement, Pledgee will, at Pledgor's expense, deliver all of the Collateral to Pledgor along with all instruments of assignment executed in connection therewith, and execute and deliver to Pledgor such documents as Pledgor shall reasonably request to evidence Pledgee's release of Pledgee's liens and security interests hereunder.

17. Pledgor covenants and agrees that it shall not permit Borrower to amend or otherwise modify any of its organizational documents, except as expressly permitted under the Loan Agreement, and without limiting the foregoing, Pledgor shall not permit Borrower, whose ownership interests are not certificated as of the date hereof, to opt into Article 8 of the applicable Uniform Commercial Code for purposes of classifying the membership interests, partnership interests or other equity interests in any such entity as "securities" thereunder and shall not permit any such entity to certificate such interests, unless Pledgor provides at least fifteen (15) days' prior written notification to Pledgee of such election and promptly delivers any such certificates to Pledgee with the appropriate transfer power executed in blank (the failure to deliver such certificates and transfer power within three (3) Business Days of the date of the issuance of such certificates (time being of the essence) shall result in an immediate Event of Default under the Loan Documents without the necessity of notice or the expiration of any cure period with respect thereto notwithstanding anything in the Loan Agreement or the other Loan Documents to the contrary).

18. This Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Pledgor for liquidation or reorganization, should Pledgor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of Pledgor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

19. Subject to Paragraph 19 hereof, this Agreement shall terminate upon the payment in full, in cash, of all Obligations (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted) of Borrower under the Loan Agreement and the Lender's commitments to make Loans and to extend other financial accommodations under the Loan Documents have terminated.

20. Notices. All notices, requests, consents, demands and other communications required or permitted hereunder shall be in writing and shall be deemed sufficiently given or furnished if delivered by personal delivery, by electronic mail, by expedited delivery service with proof of delivery, or by registered or certified United States mail, postage prepaid, at the following addresses (unless changed by similar notice in writing given by the particular party whose address is to be changed).

21. Pledgor's Address for Notices:

If to Pledgor: **O'RYAN PRODUCTION & EXPLORATION, LTD.**
One Mission Boulevard
Odessa, Texas 79765

Borrower's Address for Notices:

If to Borrower: **O'Ryan Family Limited Partnership**
One Mission Boulevard
Odessa, Texas 79765

Pledgee's Address for Notices:

If to Pledgee: **LONE STAR STATE BANK OF WEST TEXAS**
2975 JBS Parkway,
Odessa, Texas 79762

Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of electronic mail, upon receipt; provided that, service of a notice required by Texas Property Code §51.002, as amended, or any similar statute in any state where any part of the Mortgaged Properties are located shall be considered complete when the requirements of the applicable statute for such part of the Mortgaged Properties located in the respective state are met.

22. Governing Law. WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW, THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF TEXAS APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY WITHIN THE STATE OF TEXAS AND THE LAWS OF THE UNITED STATES OF AMERICA BUT IN ANY EVENT CHAPTER 346 OF THE TEXAS FINANCE CODE (WHICH REGULATES CERTAIN REVOLVING LOAN ACCOUNTS AND REVOLVING TRIPARTY ACCOUNTS) SHALL NOT APPLY TO THE LOAN EVIDENCED BY THE NOTE AND EXCEPT THAT

TO THE EXTENT THAT THE LAW OF ANOTHER STATE IN WHICH A PORTION OF THE PROPERTY IS LOCATED (OR WHICH IS OTHERWISE APPLICABLE TO A PORTION OF THE PROPERTY) NECESSARILY GOVERNS WITH RESPECT TO PROCEDURAL AND SUBSTANTIVE MATTERS RELATING TO THE CREATION, PERFECTION AND ENFORCEMENT OF THE LIENS, SECURITY INTERESTS AND OTHER RIGHTS AND REMEDIES GRANTED HEREIN, THE LAW OF SUCH OTHER STATE SHALL APPLY AS TO THAT PORTION OF THE PROPERTY LOCATED IN (OR OTHERWISE SUBJECT TO THE LAWS OF) SUCH STATE.

23. Severability; Captions; Counterparts; Facsimile Signature. If any provision of this Agreement is adjudicated to be invalid under applicable laws or regulations, such provision shall be inapplicable to the extent of such invalidity without affecting the validity or enforceability of the remainder of this Agreement which shall be given effect so far as possible. The captions in this Agreement are intended for convenience and reference only and shall not affect the meaning or interpretation of this Agreement. This Agreement may be executed in one or more counterparts (which taken together, as applicable, shall constitute one and the same instrument) and by facsimile transmission or other electronic means, which signatures shall be considered original executed counterparts. Each party to this Agreement agrees that it will be bound by its own facsimile or other electronic signature and that it accepts the facsimile signature or other electronic of each other party.

24. Amendments. No amendment, modification or waiver of, or consent with respect to, any provision of this Agreement shall be effective unless the same shall be in writing and signed and delivered by the party against whom enforcement is sought, and then such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

25. Survival. It is the express intention and agreement of the parties hereto that all covenants, representations, warranties, waivers and indemnities made by the Pledgor herein shall survive the execution and delivery of this Agreement until all Obligations paid in full in cash (other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted), and the Lender's commitments to make Loans and to extend other financial accommodations under the Loan Documents have terminated.

26. Prior Pledge Agreement. This Amended and Restated Pledge Agreement is in lieu of and replaces that certain Pledge Agreement dated February 8, 2018, by and between Pledgor and the Pledgee ("Prior Pledge Agreement"). In the event there exists any conflicts or inconsistencies between the terms of this Agreement and the Prior Pledge Agreement, the terms of this Pledge Agreement shall govern and control.

27. Loan Agreement. This Agreement is subject to the terms and conditions of that certain Restated Loan Agreement dated February 4, 2018, by and between Lender, Borrower and Ryan C. Hoerauf, Ryan Properties, Inc., Ryan C. Hoerauf, Inc., O'Ryan Ranches, Ltd., EON Production, LLC, O'Ryan Ponderosa, LLC, O'Ryan Oregon Ranches, LLC and the Ryan C. Hoerauf 2008 Delaware Trust (as from time to time supplemented, amended and/or restated and

described in this Agreement as the "Loan Agreement"). All capitalized terms used but not defined herein shall have the meanings given such terms in the Loan Agreement. In the event of any inconsistency between the provisions hereof and the provisions relating to the same subject matter in the Loan Agreement, it is intended that, during the applicability of the Loan Agreement, the Loan Agreement shall control; provided, however, that, in the event of any inconsistency between the provisions hereof and the provisions of the Loan Agreement relating to the creation, perfection and foreclosure of the liens created under this Agreement, this Agreement shall control.

NOTICE

THIS PLEDGE AGREEMENT, THE PROMISSORY NOTE AS SET OUT ABOVE AND THE REMAINING SECURITY DOCUMENTS AND THE ACCOMPANYING UCC-1 AND UCC-3 FINANCING STATEMENTS, GUARANTIES AND RESTATED LOAN AGREEMENT AND/OR ANY AND ALL OTHER DOCUMENTS EXECUTED AT OR NEAR THE TIME OF EXECUTION OF THIS DOCUMENT CONSTITUTE A "LOAN AGREEMENT" AS DEFINED IN SECTION 26.02(a) OF THE TEXAS BUSINESS & COMMERCE CODE, AND REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

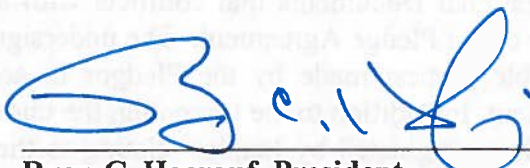
IN WITNESS WHEREOF, this Agreement is dated **February 28, 2019** although effective as of **February 4, 2018**, and executed on the dates set out below.

PLEDGOR:

**O'RYAN PRODUCTION & EXPLORATION,
LTD., a Texas limited partnership**

**By: Ryan E & P Management, Inc., its General
Partner**

EXECUTED on this _____
day of April, 2019

By: 

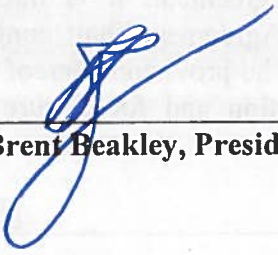
Ryan C. Hoerauf, President

**O'Ryan Production & Exploration, Ltd.
One Mission Boulevard
Odessa, Texas 79765**

PLEDGEE:

LONE STAR STATE BANK OF WEST TEXAS

EXECUTED on this _____
day of April, 2019

By: 
Brent Beakley, President—Odessa Market

ACKNOWLEDGMENT

The undersigned hereby acknowledges receipt of that certain Amended and Restated Pledge Agreement (as it may be amended, restated, supplemented or otherwise modified from time to time, the "Pledge Agreement") effective as of **February 4, 2018**, executed by the Pledgor set out above to and for the benefit of LONE STAR STATE BANK OF WEST TEXAS ("Lender") and agrees to make, or cause to be made, all payments, income and dividends (whether in cash, stock, membership and/or partnership interests or other property), liquidating dividends, warrants, options, stock rights, membership interest rights, subscription rights, securities of the undersigned and any other distributions of any other property which the Pledgor is now or may hereafter be entitled to receive on account of the Collateral (as defined in the Pledge Agreement) directly to the Lender when required by the Lender in accordance with the foregoing Pledge Agreement.

The undersigned further agrees that notwithstanding anything to the contrary contained in the Bylaws of PB Material Holdings, Inc., (the "Organizational Documents"), the Lender shall have the right to exercise all voting rights in the shares by reason of a foreclosure of such pledge or any other enforcement of the Lender's rights in accordance with the foregoing Pledge Agreement. The undersigned further (1) consents to Pledgor's pledge of its Shares of Stock pursuant to the Organizational Documents and (2) waives any other provisions of the Organizational Documents that conflicts with the execution, delivery and performance by the Pledgor of the Pledge Agreement. The undersigned agrees to comply from time to time with any reasonable request made by the Pledgor in accordance with the requirements of the Pledge Agreement. In addition to the foregoing, the undersigned agrees that if at any time it shall receive instructions originated by Lender relating to the Pledged Equity, the undersigned shall comply with such instructions without further consent by Pledgee or any other Person.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

(signature pages follow)

EXHIBIT "A"

Attached to and made a part of the following documents:

- (1) Amended and Restated Pledge Agreement dated February 4, 2018, from O'RYAN PRODUCTION & EXPLORATION, LTD., as Pledgor, for the benefit of LONE STAR STATE BANK OF WEST TEXAS, as Secured Party; and
- (2) UCC-1 Financing Statement from O'RYAN PRODUCTION & EXPLORATION, LTD., as Debtor, for the benefit of LONE STAR STATE BANK OF WEST TEXAS, as Secured Party.
 - a. Any and all of Pledgor's Shares of Stock (represented by Stock Certificate No. 4 for 64,000 shares) in PB Materials Holdings, Inc., a Delaware corporation, created under that certain Certificate of Formation dated _____ and Bylaws dated _____, by and between PB Materials Holdings, Inc., O'Ryan Production & Exploration, Ltd. and others ("PB Materials Holdings, Inc.");
 - b. Any and all moneys, profits, income, surplus, compensation, return of capital and distributions due and to become due to the Pledgor now or in the future by way of distribution to the Pledgor as owner of the Pledged Equity;
 - c. Any and all moneys, profits, income, surplus, compensation, return of capital and distributions due or to become due to the Pledgor now or in the future by virtue of the Pledgor's ownership of the Pledged Equity;
 - d. Any property of PB Materials Holdings, Inc. to which the Pledgor now or in the future may be entitled as owner of the Pledged Equity by way of distribution, return of capital or otherwise;
 - e. Any claim which the Pledgor may have in the future acquire as owner of the Pledged Equity against PB Materials Holdings, Inc. and its property; and
 - f. To the extent not otherwise included, all proceeds of any and all of the foregoing;

whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds).

This Agreement is dated **February 28, 2019** although effective as of **February 4, 2018**, and executed by PB Material Holdings, Inc. to reflect its agreement and consent as set out above on the date set out below.

ACKNOWLEDGED AND AGREED:

PB MATERIAL HOLDINGS, INC., a Delaware corporation

EXECUTED on this _____
day of April, 2019

By: _____

Printed Name: _____

Title: _____

EXHIBIT C
(Stockholder Election Form)

STOCKHOLDER ELECTION FORM

PB MATERIALS HOLDINGS, INC.

RESPONSE REQUIRED BY 12:00 PM ET ON DECEMBER 23 2024

Terms used and not otherwise defined have the meaning given to them in the Notice of Reinvestment Opportunity related to PB Materials Holdings, Inc. dated as of December 21, 2024.

By signing this election form (the “Agreement”) below, the undersigned holder of Company Securities (“you” or the “Stockholder”) is hereby irrevocably electing to choose to either: (i) sell 100% of your Company Securities, net of your pro rata share of expenses and applicable withholding taxes, thereby becoming a Selling Stockholder, (ii) retain 100% of your Company Securities, thereby becoming a Reinvesting Stockholder or (iii) retain a portion of your Company Securities, in part, and sell the remaining portion of your Company Securities, net of your pro rata share of expenses and applicable withholding taxes (such option a “Partial Option” and such Stockholders a “Partial Stockholder”).

Except as otherwise described herein, a Stockholder electing the “Partial Option” will be treated as a Reinvesting Stockholder with respect to the portion of your Company Securities you elect to retain, and as a Selling Stockholder, as applicable, with respect to the portion of your Company Securities you elect to sell. Any reference to “Selling Stockholders”, and “Reinvesting Stockholders”, as applicable, throughout this Agreement will also include Partial Stockholders with respect to the applicable portion of such Partial Stockholder’s Company Securities being treated as sold or reinvested, as applicable.

Should you choose to become a Reinvesting Stockholder, you must further choose to either: (x) participate in the Additional Subscription and make a capital commitment to the Company equal to your pro rata share (based on your share of the Aggregate Contribution Value) of the Additional Subscription, thereby becoming an Electing Reinvesting Stockholder (such capital commitment your “Capital Commitment”) or (y) NOT participate in the Additional Subscription, thereby becoming a Non-Electing Reinvesting Stockholder and have your interest in the Company diluted (such election your “Stockholder Election”).

Election

The undersigned hereby irrevocably elects to become a:

☐ Selling Stockholder

OR

☐ Reinvesting Stockholder (if you select this to become a Reinvesting Stockholder), please also select one of the below options:

☐ Electing Reinvesting Stockholder

☐ Non-Electing Reinvesting Stockholder

OR

☐ Selling Stockholder with respect to 58,000 Company Securities (i.e., 90.625 % of your interest in the Portfolio Company) and Reinvesting Stockholder with respect to 6000 Company Securities (i.e., 9.375 % of your interest in the Portfolio Company). Please also select one of the below options with respect to your retained Company Securities:

☐ Electing Reinvesting Stockholder

☒ Non-Electing Reinvesting Stockholder

If you elect to become an Electing Reinvesting Stockholder, you are irrevocably committing to purchase, subject to the consummation of the Transactions at the Closing (as such terms are defined in the Transaction Agreement), the full amount of additional Company Securities associated with your Capital Commitment, unless otherwise agreed by BPGC.

Stockholder Representations

If you are an employee, director, general partner, officer, consultant or advisor of the Company or one of its direct or indirect subsidiaries, then in connection with your election above, you hereby represent and warrant to the Company that:

1. You are an employee, director, general partner, officer, consultant or advisor of the Company or one of its direct or indirect subsidiaries.
2. As an employee, director, general partner, officer, consultant or advisor, the services you provide to the Company or its subsidiaries do not relate to the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company Securities.
3. You are a natural person (i.e., an individual and not an entity) and will acquire the Company Securities in your capacity as a natural person.
4. You are not acquiring the Company Securities in connection with capital raising activities.
5. You are a resident of:

- ☒ Texas, USA
☐ Massachusetts, USA
☐ Florida, USA
☐ California, USA
☐ Other (specify): _____

By signing below, you agree that all of the above representations and warranties are true and accurate as of the date hereof and shall be true and accurate as of the date of the undersigned's acquisition of the Company Securities. If in any respect such representations and warranties shall not be true and accurate prior to such acquisition of the Company Securities, the undersigned shall give immediate notice in writing of such fact.

Acknowledgement, Waiver of Claims

By signing below, you acknowledge and agree:

(a) that you understand that should you elect to be a Non-Electing Reinvesting Stockholder that your interests in the Company will be subject to dilution in connection with the Transaction;

(b) that as a Reinvesting Stockholder, whether an Electing Reinvesting Stockholder or a Non-Electing Reinvesting Stockholder, you must concurrently with your election execute and return the Stockholders Agreement;

(c) that in consideration for the promises and undertakings contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, effective as of the Closing (as defined in the Transaction Agreement) and subject to the occurrence thereof, you and your descendants, dependents, heirs, representatives, successors and assigns, hereby unconditionally and irrevocably waive, release and forever discharge and covenant not to sue the Company, BPGC, the Funds, the New Fund GP and the New Fund and their respective Non-Recourse Parties (as defined in the Transaction Agreement) (collectively, the "Released Parties") from any and all complaints, claims, charges, claims for relief, demands, suits, actions and causes of action, whether in law or in equity, which may be asserted or could be asserted against the Released Parties relating (directly or indirectly) to the subject matter of the Transaction Agreement or the transactions contemplated hereby or thereby, the ownership or operation of the Company (and its subsidiaries) prior to the Closing or any amount or liability owed or alleged to be owed by any of the Funds or any of their respective Non-Recourse Parties to the Company (or its subsidiaries), including whether arising under or based upon any Law or otherwise and including any rights to rescission of the Transactions and including any rights of contribution, indemnification, reimbursement or other similar rights, except for (i) if you are a Selling Stockholder, your right to receive cash in respect of your Company Securities in accordance with the Transaction Agreement, and (ii) if you are a Reinvesting Stockholder, any rights or obligations of the Company or the New Fund arising under the Stockholders Agreement and otherwise as a holder of Company Securities after the Closing; and

(d) that this Agreement and the documents referred to herein or delivered pursuant hereto which form a part hereof contain the entire understanding of the parties with respect to the subject matter hereof and thereof and that party hereto expressly warrants and represents that no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to the subject matter hereof which is not herein or therein expressed has been made to either party in executing this Agreement, and neither party is relying upon any statement or representation of the other party in entering into this Agreement.

Governing Law, Waiver of Jury Trial

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without giving effect to any otherwise governing principles of conflicts of law.

(b) Judicial Proceedings; Waiver of Jury Trial. In any judicial proceeding involving any dispute, controversy or claim arising out of or relating to this Agreement, each of Stockholder and the Company unconditionally accepts the non-exclusive jurisdiction and venue of any United States District Court located in the State of Delaware, or of the Court of Chancery of the State of Delaware, and the appellate courts to which orders and judgments thereof may be appealed. In any such judicial proceeding, Participant agrees that in addition to any method for the service of process permitted or required by such courts, to the fullest extent permitted by applicable law.

PARTICIPANT HEREBY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING ANY DISPUTE, CONTROVERSY, CAUSE OF ACTION OR CLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

Not an Offer to Purchase Securities

This Agreement is not an offer to purchase or a solicitation of an offer to purchase or sell any securities, nor shall there be any offer, solicitation or sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

[Signature Page Follows]

STOCKHOLDER

O'Ryan Production and Exploration, LTD.

By: 

Name: Ryan C. Hoerauf

Its: Manager

Date: 12-22-24

Address: 8180 Lakeview Center
Suite 300
Odessa, TX 79765

EXHIBIT D

(O’Ryan P&E Schedules A/B)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

In re:	§	Chapter 11
	§	
SCANROCK OIL & GAS, INC., <i>et al.</i> ,	§	Case No. 25-90001-mxm11
	§	
Debtors. ¹	§	Jointly Administered

**GLOBAL NOTES AND STATEMENT OF LIMITATIONS, METHODOLOGY,
AND DISCLAIMERS REGARDING THE DEBTORS' SCHEDULES OF
ASSETS AND LIABILITIES AND STATEMENTS OF FINANCIAL AFFAIRS**

General

The Schedules of Assets and Liabilities (collectively, the “Schedules”) and the Statements of Financial Affairs (collectively, the “Statements” and, together with the Schedules, the “Schedules and Statements”) filed by the above-captioned debtors and debtors in possession (collectively, the “Debtors”) in the chapter 11 cases (the “Chapter 11 Cases”) pending in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division (the “Bankruptcy Court”) were prepared, pursuant to section 521 of the United States Code, Title 11 §§ 101, *et seq.* (as amended, the “Bankruptcy Code”), and Rule 1007 of the Federal Rules of Bankruptcy Procedure, by management of the Debtors, with the assistance of the Debtors’ advisors, and are unaudited. Although the Debtors’ management has made reasonable efforts to ensure that the Schedules and Statements are as accurate and complete as possible under the circumstances, based on information available at the time of preparation, subsequent information or discovery may result in material changes to these Schedules and Statements, and inadvertent errors, inaccuracies, or omissions may have occurred. The Schedules and Statements contain unaudited information, which is subject to further review, verification, and potential adjustment. Nothing contained in the Schedules and Statements shall constitute a waiver of any right of the Debtors or an admission with respect to the Chapter 11 Cases (including, but not limited to, issues involving claims, substantive consolidation, defenses, equitable subordination, and/or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and any other relevant non-bankruptcy laws to recover assets or avoid transfers), and the Debtors reserve all rights to amend or supplement the Schedules and Statements from time to time, in all respects, as may be necessary or appropriate, including, but not limited to, the right to dispute or otherwise assert offsets or defenses to any claim reflected in the Schedules and Statements as to amount, liability, or classification, or to otherwise subsequently designate any claim as “disputed,” “contingent,” or “unliquidated.”

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Scanrock Oil & Gas, Inc. (0380); EON Production, LLC (0136); O’Ryan Family Limited Partnership (1913); O’Ryan Production & Exploration Ltd. (9950); O’Ryan Ponderosa, LLC (1476); Ryan C. Hoerauf, Inc. (0493); and Smackover Oil Treaters, Ltd. (9529) (collectively, the “Oil and Gas Debtors”); and O’Ryan Ranches, Ltd. (7184). The location of the Debtors’ service address is 8180 Lakeview Center, Ste. 300, Odessa, TX 79765. More information about the Debtors, and copies of pleadings in the above-captioned bankruptcy case, may be obtained on the website of the Debtors’ proposed noticing agent, Stretto, Inc., at: <https://cases.stretto.com/scanrock>.

The Schedules and Statements have been signed by Bradford C. Walker, Chief Restructuring Officer. In reviewing and signing the Schedules and Statements, Mr. Walker necessarily relied upon the efforts, statements, and representations of the Debtors' other personnel and professionals. Mr. Walker has not (and could not have) personally verified the accuracy of each such statement and representation, including, but not limited to, statements and representations concerning amounts owed to creditors, classification of such amounts, and their addresses.

These Global Notes and Statement of Limitations, Methodology, and Disclaimer Regarding the Debtors' Schedules and Statements (the "Global Notes") are incorporated by reference in, and comprise an integral part of, all of the Schedules and Statements, and should be referred to and considered in connection with any review of the Schedules and Statements.²

Description of the Cases

On February 3, 2025 (the "Petition Date"), Scanrock Oil & Gas, Inc. and O'Ryan Ranches, Ltd. each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code. Subsequently, on February 9, 2025, six affiliated Debtors (collectively, with Scanrock Oil & Gas, Inc. and O'Ryan Ranches, Ltd., the "Debtors") each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code. The Debtors' cases are jointly administered under Case No. 25-90001 in the Bankruptcy Court before the Honorable Judge Mark X. Mullin. The Debtors continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The asset information provided herein, except as otherwise noted, represents the asset data of the Debtors as of close of business on February 3, 2025, or February 9, 2025, as applicable, and the liability data of the Debtors as of close of business on February 3, 2025, or February 9, 2025, as applicable.

Basis of Presentation

The Debtors review their books and records and adjust such books and records based on their annual tax reporting as well as basic accounting principles. These Schedules and Statements reflect the assets and liabilities of each separate Debtor, except where otherwise indicated. Information contained in the Schedules and Statements has been derived from the Debtors' books and records, documents received from creditors, and historical financial statements.

Moreover, given, among other things, the uncertainty surrounding the collection and ownership of certain assets and the valuation and nature of certain liabilities, to the extent that a Debtor shows more assets than liabilities, this is not an admission that the Debtor was solvent as of the Petition Date or at any time prior to the Petition Date. Likewise, to the extent a Debtor shows

² These Global Notes supplement and are in addition to any specific notes contained in each Debtor's Schedules or Statements. The fact that the Debtors have prepared a Global Note with respect to any of individual Debtor's Schedules and Statements and not to those of another should not be interpreted as a decision by the Debtors to exclude the applicability of such Global Note to any of the Debtors' other Schedules and Statements, as appropriate. Disclosure of information in one Schedule, one Statement, or an exhibit or attachment to a Schedule or Statement, even if incorrectly placed, shall be deemed to be disclosed in the correct Schedule, Statement, exhibit, or attachment.

more liabilities than assets, this is not an admission that the Debtor was insolvent at the Petition Date or any time prior to the Petition Date.

Amendment

While reasonable efforts have been made to prepare and file complete and accurate Schedules and Statements, inadvertent errors or omissions may exist. The Debtors reserve all rights to amend and/or supplement the Schedules and Statements from time to time as is necessary or appropriate.

General Disclosures Applicable to Schedules and Statements

1. **Causes of Action.** Despite their reasonable efforts to identify all known assets, the Debtors may not have listed all of their causes of action or potential causes of action against third parties as assets in their Schedules and Statements. The Debtors reserve all of their rights with respect to any claims or causes of action and neither these Global Notes nor the Schedules and Statements shall (i) be deemed a waiver of any such claims or causes of actions or (ii) in any way prejudice or impair the assertion of any such claims or causes of action.

2. **Recharacterization.** The Debtors have made reasonable efforts to correctly characterize, classify, categorize, and designate the claims, assets, executory contracts, unexpired leases, and other items reported in the Schedules and Statements. However, to the extent any items reported in the Schedules and Statements have been improperly characterized, classified, categorized, or designated, the Debtors reserve all of their rights to recharacterize, reclassify, recategorize, or redesignate such items at a later time as necessary or appropriate as additional or more accurate information becomes available.

3. **Claim Designations.** Any failure to designate a claim in the Schedules and Statements as “contingent,” “unliquidated,” or “disputed” does not constitute an admission by the Debtors that such claim or amount is not “contingent,” “unliquidated,” or “disputed.” The Debtors reserve all of their rights to dispute, or to assert offsets or defenses to, any claim reflected on their Schedules or Statements on any grounds, including, but not limited to, amount, liability, priority, status, or classification, or to otherwise subsequently designate any claim as “contingent,” “unliquidated,” or “disputed.” Moreover, the Debtors reserve all of their rights to amend their Schedules and Statements as necessary and appropriate. Listing a claim does not constitute an admission of liability by the Debtors.

4. **Unliquidated Claim Amounts.** Claim amounts that could not be readily quantified by the Debtors are scheduled as “unliquidated.”

5. **Court Orders.** Pursuant to certain orders of the Bankruptcy Court entered in the Debtors’ chapter 11 cases (collectively, and as amended or modified, the “Prepetition Payment Orders”), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of employees, certain trade vendors, and taxing authorities. Regardless of whether such claims are listed in the Schedules and Statements, to the extent such claims are paid pursuant to an order of the Bankruptcy Court, the Debtors reserve all rights to amend or supplement their Schedules and Statements as is necessary or appropriate.

6. **Valuation.** It would be prohibitively expensive, unduly burdensome, and an inefficient use of estate assets for the Debtors to obtain current market valuations of all of their assets. Accordingly, unless otherwise indicated, net book values as of the Petition Date are reflected on the Schedules and Statements. Exceptions to this include operating cash and certain other assets. Operating cash is presented at bank balances as of the Petition Date. Amounts ultimately realized may vary from net book value (or whatever value was ascribed) and such variance may be material. Accordingly, the Debtors reserve all of their rights to amend or adjust the value of each asset set forth herein. In addition, the amounts shown for total liabilities exclude items identified as “unknown” or “undetermined,” and, thus, ultimate liabilities may differ materially from those stated in the Schedules and Statements.

7. **Excluded Assets and Liabilities.** The Debtors have excluded certain categories of assets, tax accruals, and liabilities from the Schedules and Statements, including, without limitation, accrued salaries, employee benefit accruals, and deferred gains, if any. The Debtors also have excluded rejection damage claims of counterparties to executory contracts and unexpired leases that may be rejected (if any), to the extent such damage claims exist. In addition, certain immaterial assets and liabilities may have been excluded.

8. **Confidential or Sensitive Information.** There may be instances in which certain information in the Schedules and Statements intentionally has been redacted due to the nature of an agreement between a Debtor and a third party, concerns about the confidential or commercially sensitive nature of certain information, or concerns for the privacy of an individual. Any such redactions will be limited to only what is necessary to protect the Debtors or applicable third parties.

9. **Leases.** The Debtors have not included in the Schedules and Statements the future obligations of any capital or operating leases. To the extent that there was an amount outstanding as of the Petition Date, the creditor has been included on Schedule E/F of the Schedules.

10. **Receivables.** The Debtors have not listed individual counterparty accounts receivable balance information as the Company considers its list of counterparties to be proprietary and confidential.

11. **Guarantees and Other Secondary Liability Claims.** The Debtors have used reasonable efforts to locate and identify guarantees and other secondary liability claims (collectively, “Guarantees”) in each of their executory contracts, unexpired leases, secured financings, debt instruments, and other such agreements. Where such Guarantees have been identified, they have been included in the relevant Schedule H for the Debtor or Debtors affected by such Guarantees. However, certain Guarantees embedded in the Debtors’ executory contracts, unexpired leases, secured financings, debt instruments, and other such agreements may have been inadvertently omitted. Thus, the Debtors reserve all of their rights to amend the Schedules to the extent that additional Guarantees are identified.

12. **Intellectual Property Rights.** The Debtors have made every effort to include owned intellectual property in their Schedules. However, exclusion of certain intellectual property shall not be construed to be an admission that such intellectual property rights have been abandoned, have been terminated, or otherwise have expired by their terms, or have been assigned

or otherwise transferred pursuant to a sale, acquisition, or other transaction. Conversely, inclusion of certain intellectual property shall not be construed to be an admission that such intellectual property rights have not been abandoned, have not been terminated, or otherwise have not expired by their terms, or have not been assigned or otherwise transferred pursuant to a sale, acquisition, or other transaction. The Debtors have made every effort to attribute intellectual property to the rightful Debtor owner, however, in some instances, intellectual property owned by one Debtor may, in fact, be owned by another. Accordingly, the Debtors reserve all of their rights with respect to the legal status of any and all intellectual property rights.

13. **Mechanics' Liens.** The inventories, property, and equipment listed in the Statements and Schedules are presented without consideration of any asserted mechanics', materialmen, or similar liens.

14. **Estimates.** To prepare and file the Schedules, management was required to make certain estimates and assumptions that affected the reported amounts of these assets and liabilities. The Debtors reserve all rights to amend the reported amounts of assets and liability to reflect changes in those estimates or assumptions.

15. **Currency.** Unless otherwise indicated, all amounts are reflected in U.S. dollars.

16. **Property and Equipment.** Unless otherwise indicated, owned property and equipment are stated at net book value. The Debtors may lease furniture, fixtures, and equipment from certain third party lessors. Nothing in the Schedules and Statements is or shall be construed as an admission as to the determination as to the legal status of any lease (including whether any lease is a true lease or a financing arrangement), and the Debtors reserve all of their rights with respect to same.

17. **Claims of Third-Party Related Entities.** While the Debtors have made every effort to properly classify each claim listed in the Schedules as being either disputed or undisputed, liquidated or unliquidated, and contingent or noncontingent, the Debtors have not been able to fully reconcile all payments made to certain third parties and their related entities on account of the Debtors' obligations to same. Therefore, to the extent that the Debtors have classified their estimate of claims of a creditor as disputed, all claims of such creditor's affiliates listed in the Schedules and Statements shall similarly be considered as disputed, whether or not they are designated as such.

18. **Umbrella or Master Agreements.** Contracts listed in the Schedules and Statements may be umbrella or master agreements that cover relationships with some or all of the Debtors. Where relevant, such agreements have been listed in the Schedules and Statements only of the Debtor that signed the original umbrella or master agreement.

19. **Setoffs and Recoupment.** The Debtors incur setoffs and net payments in the ordinary course of business. Setoffs in the ordinary course can result from various items including, but not limited to, intercompany transactions, pricing discrepancies, returns, refunds, warranties, and other disputes between the Debtors and their customers or vendors. Therefore, the economic impact of claims related to setoff and recoupment are excluded from the Debtors' responses to Question 6 of the Statement of Financial Affairs.

20. **Insiders.** The Debtors have attempted to include all payments made over the 12 months preceding the Petition Date to any individual or entity deemed an “insider.” For these purposes, “insider” is defined as (1) an individual or entity owning 5% or more of the voting or equity securities of a Debtor, (2) directors of any of the Debtors, (3) the Debtors’ insider employees, or (4) a person married to any of the foregoing. The listing of a party as an “insider,” however, is not intended to be nor should be construed as a legal characterization of such party as an insider and does not act as an admission of any fact, claim, right, or defense, and all such rights, claims, and defenses are hereby expressly reserved.

21. **Indemnification.** The Debtors’ various charters, bylaws, operating agreements, partnership agreements, and other corporate and governance documents provide indemnification rights to certain eligible officers, directors and employees on the particular terms set forth in the applicable corporate and governance documents. The Debtors have not reached a determination with respect to whether certain potentially indemnified persons are ineligible for indemnification under the terms of the applicable corporate and governance documents and certain such persons are therefore listed on the applicable Debtors’ Schedule E/F. To the extent that the Debtors have entered into separate contracts with certain executives and former executives, agreeing to indemnify them in certain circumstances according to the particular terms and conditions set forth in those contracts, such contracts are listed on Schedule G. The Debtors have not reached a determination as to whether the persons who are parties to these contracts are eligible for indemnification. Consequently, the Debtors have separately listed on Schedule G all contracts with such persons, but Debtors reserve all rights with respect thereto, including the right to assert that the individual is not entitled to indemnification and that the provisions do not constitute executory contracts.

22. **Payments.** The financial affairs and business of the Debtors are complex. Although efforts have been made to attribute open payable amounts to the correct legal entity, the Debtors reserve the right to modify or amend their Schedules and Statements to attribute such payment to a different legal entity, if appropriate. Payments made are listed by the legal entity making such payment notwithstanding that many such payments will have been made on behalf of another legal entity.

23. **Totals.** All totals that are included in the Schedules and Statements represent totals of all the known amounts included in the Schedules and Statements. To the extent there are unknown or undetermined amounts, the actual total may be different than the listed total. The description of an amount as “unknown” or “undetermined” is not intended to reflect upon the materiality of such amount. To the extent a Debtor is a guarantor of debt held by another Debtor, the amounts reflected in these Schedules are inclusive of each Debtor’s guarantor obligations.

Specific Notes Applicable to Schedules and Statements

Specific Notes Regarding Schedule A/B

The Debtors may have listed certain assets as real property when such assets are in fact personal property, or the Debtors may have listed certain assets as personal property when such assets are in fact real property. The Debtors reserve all rights to recategorize or recharacterize such asset holdings to the extent the Debtors determine that such holdings were listed incorrectly.

Certain instruments reflected on Schedule A/B may contain renewal options, guarantees or payments, options to purchase, rights of first refusal, rights to lease additional lands, and other miscellaneous rights. Such rights, powers, duties, and obligations are not separately set forth on Schedule A/B. The Debtors reserve the right to assert that any instrument listed on Schedule A/B is an executory contract within the meaning of section 365 of the Bankruptcy Code. The Debtors reserve all rights, claims, and causes of action with respect to claims associated with any contracts and agreements listed on Schedule A/B or Schedule G, including their right to dispute or challenge the characterization or the structure of any transaction, document, or instrument (including any intercompany agreement) related to a creditor's claim. The Debtors failure to list any rights in real property on Schedule A/B shall not be construed as a waiver of any such rights that may exist, whether known or unknown at this time.

Specific Notes Regarding Schedule D

Except as otherwise agreed pursuant to a stipulation or agreed order or general order entered by the Bankruptcy Court, the Debtors reserve their rights to dispute or challenge the validity, perfection, or immunity from avoidance of any lien purported to be granted or perfected in any specific asset to a secured creditor listed on Schedule D of any Debtor. Moreover, although the Debtors may have scheduled claims of various creditors as secured claims, the Debtors reserve all rights to dispute or challenge the secured nature of any such creditor's claim or the characterization of the structure of any such transaction or any document or instrument (including, without limitation, any intercompany agreement) related to such creditor's claim. Further, while the Debtors have included the results of Uniform Commercial Code searches, the listing of such results is not nor shall it be deemed to be an admission as to the validity of any such lien. Conversely, the Debtors made reasonable, good faith efforts to include all liens on Schedule D, but may have inadvertently omitted to include an existing lien because of, among other things, the possibility that a lien may have been imposed after the Uniform Commercial Code searches were performed or a vendor may not have filed the requisite perfection documentation. Moreover, the Debtors have not included on Schedule D parties that may believe their Claims are secured through setoff rights or inchoate statutory lien rights.

In certain instances, a Debtor may be a co-obligor, co-mortgagor, or guarantor with respect to scheduled claims of other Debtors, and no claim set forth on Schedule D of any Debtor is intended to acknowledge claims of creditors that are otherwise satisfied or discharged by other entities. The descriptions provided in Schedule D are intended only as a summary. Reference to the applicable loan agreements and related documents is necessary for a complete description of the collateral and the nature, extent, and priority of any liens. Nothing in the Global Notes or the

Schedules and Statements shall be deemed a modification or interpretation of the terms of such agreements.

Specific Notes Regarding Schedule E/F

1. **Creditors Holding Priority Unsecured Claims.** The listing of any claim on Schedule E/F does not constitute an admission by the Debtors that such claim is entitled to priority treatment under section 507 of the Bankruptcy Code. The Debtors reserve all of their rights to dispute the amount and/or the priority status of any claim on any basis at any time.

All claims listed on the Debtors' Schedule E/F, Part 1 are claims owing to various taxing authorities to which the Debtors may potentially be liable. However, certain of such claims may be subject to on-going audits and the Debtors are otherwise unable to determine with certainty the amount of many, if not all, of the remaining claims listed on Schedule E/F, Part 1. Therefore, the Debtors have listed all such claims as unknown in amount, pending final resolution of on-going audits or other outstanding issues.

2. **Creditors Holding Nonpriority Unsecured Claims.** The Debtors have used their reasonable best efforts to list all general unsecured claims against the Debtors on Schedule E/F, Part 2 based upon the Debtors' existing books and records.

Schedule E/F, Part 2 does not include certain deferred credits, deferred charges, deferred liabilities, accruals, or general reserves. Such amounts are general estimates of liabilities and do not represent specific claims as of the Petition Date; however, such amounts are reflected on the Debtors' books and records. Such accruals are general estimates of liabilities and do not represent specific claims as of the Petition Date.

Schedule E/F, Part 2 does not include certain reserves for potential unliquidated contingencies that historically were carried on the Debtors' books as of the Petition Date; such reserves were for potential liabilities only and do not represent actual liabilities as of the Petition Date.

The claims listed in Schedule E/F, Part 2 arose or were incurred on various dates. In certain instances, the date on which a claim arose is an open issue of fact. Determining the date upon which each claim in Schedule E/F, Part 2 was incurred or arose would be unduly burdensome and cost prohibitive and, therefore, the Debtors do not list a date for each claim listed on Schedule E/F, Part 2.

Schedule E/F, Part 2 contains information regarding potential and pending litigation involving the Debtors. In certain instances, the Debtor that is the subject of the litigation is unclear or undetermined. To the extent that litigation involving a particular Debtor has been identified, however, such information is contained in the Schedule for that Debtor.

Schedule E/F, Part 2 reflects the prepetition amounts owing to counterparties to executory contracts and unexpired leases. Such prepetition amounts, however, may be paid in connection with the assumption, or assumption and assignment, of an executory contract or unexpired lease. In addition, Schedule E/F, Part 2 does not include rejection damage claims of the counterparties to

the executory contracts and unexpired leases that have been or may be rejected, to the extent such damage claims exist.

Except in certain limited circumstances, the Debtors have not scheduled contingent and unliquidated liabilities related to guaranty obligations on Schedule E/F, Part 2. Such guaranties are, instead, listed on Schedule H.

The claims of individual creditors for, among other things, goods, services, or taxes listed on the Debtors' books and records may not reflect credits or allowances due from such creditors. The Debtors reserve all of their rights in respect of such credits or allowances. The dollar amounts listed may be exclusive of contingent or unliquidated amounts.

Unless the Debtors were required to pay ancillary costs, such as freight, miscellaneous fees and taxes, such costs are not included in the liabilities scheduled, as such amounts do not represent actual liabilities of the Debtor

3. **Schedule – Intercompany.** The Debtors maintain business relationships between and among themselves resulting in intercompany receivables and payables and other claims in the ordinary course of business. The respective intercompany accounts payable and accounts receivable are listed at undetermined amounts due to/due from, as applicable, on Schedule E/F, Part 2 for each Debtor. Notably, reconciliation of the Debtors' books and records is still ongoing and any intercompany accounts payable and accounts receivable figures listed herein may require amendment as the reconciliation process progresses and concludes.

4. **Schedule – Trade Payables.** Trade Payables listed on Schedule E/F, Part 2 contain the liability information available to the Debtors as of the date of filing, including invoices for prepetition claims that may have been paid after the Petition Date pursuant to an order of the Bankruptcy Court. In these instances, the Debtors have scheduled the unpaid Trade Payables pursuant to their books and records, and have scheduled the paid Trade Payables as contingent and unliquidated claims.

Specific Notes Regarding Schedule G

The Debtors continue to review their mineral leases, operating agreements, master service agreements, and other contracts and leases for purposes of Schedule G, and reserve all of their rights in connection with the forthcoming Schedule G.

Specific Notes Regarding Schedule H

Co-Debtors. The Debtors may not have identified certain guarantees that are embedded in the Debtors' executory contracts, unexpired leases, and other agreements. Further, certain of the guarantees reflected on Schedule H may have expired or may no longer be enforceable. Thus, the Debtors reserve their rights to amend Schedule H to the extent that additional guarantees are identified, or such guarantees are discovered to have expired or become unenforceable.

In the ordinary course of their business, the Debtors may be involved in pending or threatened litigation and claims arising out of certain ordinary course of business transactions. These matters may involve multiple plaintiffs and defendants, some or all of whom may assert

cross-claims and counter-claims against other parties. Because such claims are contingent, disputed, and/or unliquidated, such claims have not been set forth individually on Schedule H. However, some such claims may be listed elsewhere in the Schedules and Statements.

Fill in this information to identify the case:

Debtor name O'Ryan Production & Exploration, Ltd.

United States Bankruptcy Court for the: NORTHERN DISTRICT OF TEXAS

Case number (if known) 25-90004

☐ Check if this is an amended filing

Official Form 202

Declaration Under Penalty of Perjury for Non-Individual Debtors

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- ☒ *Schedule A/B: Assets—Real and Personal Property* (Official Form 206A/B)
- ☒ *Schedule D: Creditors Who Have Claims Secured by Property* (Official Form 206D)
- ☒ *Schedule E/F: Creditors Who Have Unsecured Claims* (Official Form 206E/F)
- ☐ *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G)
- ☒ *Schedule H: Codebtors* (Official Form 206H)
- ☒ *Summary of Assets and Liabilities for Non-Individuals* (Official Form 206Sum)
- ☐ *Amended Schedule*
- ☐ *Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders* (Official Form 204)
- ☐ Other document that requires a declaration _____

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 03/10/2025

☒ /s/ Bradford C. Walker

Signature of individual signing on behalf of debtor

Bradford C. Walker

Printed name

Chief Restructuring Officer

Position or relationship to debtor

Fill in this information to identify the case:

Debtor name O'Ryan Production & Exploration, Ltd.

United States Bankruptcy Court for the: NORTHERN DISTRICT OF TEXAS

Case number (if known) 25-90004

☐ Check if this is an amended filing

Official Form 206Sum
Summary of Assets and Liabilities for Non-Individuals

12/15

Part 1: Summary of Assets

1. **Schedule A/B: Assets-Real and Personal Property** (Official Form 206A/B)

1a. **Real property:**

Copy line 88 from *Schedule A/B*..... \$ 0.00

1b. **Total personal property:**

Copy line 91A from *Schedule A/B*..... \$ 11,921,931.56

1c. **Total of all property:**

Copy line 92 from *Schedule A/B*..... \$ 11,921,931.56

Part 2: Summary of Liabilities

2. **Schedule D: Creditors Who Have Claims Secured by Property** (Official Form 206D)

Copy the total dollar amount listed in Column A, *Amount of claim*, from line 3 of *Schedule D*..... \$ 49,865,232.76

3. **Schedule E/F: Creditors Who Have Unsecured Claims** (Official Form 206E/F)

3a. **Total claim amounts of priority unsecured claims:**

Copy the total claims from Part 1 from line 5a of *Schedule E/F*..... \$ 0.00

3b. **Total amount of claims of nonpriority amount of unsecured claims:**

Copy the total of the amount of claims from Part 2 from line 5b of *Schedule E/F*..... +\$ 2,715,525.04

4. **Total liabilities**
Lines 2 + 3a + 3b

\$ 52,580,757.80

Fill in this information to identify the case:

Debtor name **O'Ryan Production & Exploration, Ltd.**

United States Bankruptcy Court for the: **NORTHERN DISTRICT OF TEXAS**

Case number (if known) **25-90004**

☐ Check if this is an amended filing

Official Form 206A/B Schedule A/B: Assets - Real and Personal Property

12/15

Disclose all property, real and personal, which the debtor owns or in which the debtor has any other legal, equitable, or future interest. Include all property in which the debtor holds rights and powers exercisable for the debtor's own benefit. Also include assets and properties which have no book value, such as fully depreciated assets or assets that were not capitalized. In Schedule A/B, list any executory contracts or unexpired leases. Also list them on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G).

Be as complete and accurate as possible. If more space is needed, attach a separate sheet to this form. At the top of any pages added, write the debtor's name and case number (if known). Also identify the form and line number to which the additional information applies. If an additional sheet is attached, include the amounts from the attachment in the total for the pertinent part.

For Part 1 through Part 11, list each asset under the appropriate category or attach separate supporting schedules, such as a fixed asset schedule or depreciation schedule, that gives the details for each asset in a particular category. List each asset only once. In valuing the debtor's interest, do not deduct the value of secured claims. See the instructions to understand the terms used in this form.

Part 1: Cash and cash equivalents

1. Does the debtor have any cash or cash equivalents?

- ☐ No. Go to Part 2.
☒ Yes Fill in the information below.

All cash or cash equivalents owned or controlled by the debtor

Current value of debtor's interest

3. **Checking, savings, money market, or financial brokerage accounts** (Identify all)

Name of institution (bank or brokerage firm)

Type of account

Last 4 digits of account number

3.1. **Prosperity Bank**

Checking

0144

\$29.00

4. **Other cash equivalents** (Identify all)

5. **Total of Part 1.**

Add lines 2 through 4 (including amounts on any additional sheets). Copy the total to line 80.

\$29.00

Part 2: Deposits and Prepayments

6. Does the debtor have any deposits or prepayments?

- ☒ No. Go to Part 3.
☐ Yes Fill in the information below.

Part 3: Accounts receivable

10. Does the debtor have any accounts receivable?

- ☐ No. Go to Part 4.
☒ Yes Fill in the information below.

11. **Accounts receivable**

11a. 90 days old or less:

552.71

-

0.00

=

\$552.71

face amount

doubtful or uncollectible accounts

Debtor **O'Ryan Production & Exploration, Ltd.**
Name

Case number (If known) **25-90004**

11a. 90 days old or less: **1,462,789.39** - **0.00** = ... **\$1,462,789.39**
face amount doubtful or uncollectible accounts

12. **Total of Part 3.**

Current value on lines 11a + 11b = line 12. Copy the total to line 82.

\$1,463,342.10

Part 4: Investments

13. Does the debtor own any investments?

- ☐ No. Go to Part 5.
☒ Yes Fill in the information below.

		Valuation method used for current value	Current value of debtor's interest
14.	Mutual funds or publicly traded stocks not included in Part 1 Name of fund or stock:		
15.	Non-publicly traded stock and interests in incorporated and unincorporated businesses, including any interest in an LLC, partnership, or joint venture Name of entity:	% of ownership	
15.1.	<u>PV Materials Holdings, Inc. (6,000 shares)</u>	<u> </u> %	<u>Liquidation</u> <u>Unknown</u>

16. **Government bonds, corporate bonds, and other negotiable and non-negotiable instruments not included in Part 1**
Describe:

17. **Total of Part 4.**

Add lines 14 through 16. Copy the total to line 83.

\$0.00

Part 5: Inventory, excluding agriculture assets

18. Does the debtor own any inventory (excluding agriculture assets)?

- ☒ No. Go to Part 6.
☐ Yes Fill in the information below.

Part 6: Farming and fishing-related assets (other than titled motor vehicles and land)

27. Does the debtor own or lease any farming and fishing-related assets (other than titled motor vehicles and land)?

- ☒ No. Go to Part 7.
☐ Yes Fill in the information below.

Part 7: Office furniture, fixtures, and equipment; and collectibles

38. Does the debtor own or lease any office furniture, fixtures, equipment, or collectibles?

- ☒ No. Go to Part 8.
☐ Yes Fill in the information below.

Part 8: Machinery, equipment, and vehicles

46. Does the debtor own or lease any machinery, equipment, or vehicles?

- ☐ No. Go to Part 9.
☒ Yes Fill in the information below.

Debtor O'Ryan Production & Exploration, Ltd. Case number (If known) 25-90004
Name

General description Include year, make, model, and identification numbers (i.e., VIN, HIN, or N-number)	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
47. Automobiles, vans, trucks, motorcycles, trailers, and titled farm vehicles			
48. Watercraft, trailers, motors, and related accessories Examples: Boats, trailers, motors, floating homes, personal watercraft, and fishing vessels			
49. Aircraft and accessories			
50. Other machinery, fixtures, and equipment (excluding farm machinery and equipment) Oil & Gas Equipment (see Exhibit Schedule A/B - 50)	\$1,022,992.07		\$1,022,992.07
Loan Fees (see Exhibit Schedule A/B - 50)	\$3,759.23		\$3,759.23
Miscellaneous Equipment (see Exhibit Schedule A/B - 50)	\$471.57		\$471.57

51. **Total of Part 8.** Add lines 47 through 50. Copy the total to line 87. **\$1,027,222.87**

52. **Is a depreciation schedule available for any of the property listed in Part 8?**
☒ No
☐ Yes

53. **Has any of the property listed in Part 8 been appraised by a professional within the last year?**
☒ No
☐ Yes

Part 9: Real property

54. **Does the debtor own or lease any real property?**

- ☒ No. Go to Part 10.
☐ Yes Fill in the information below.

Part 10: Intangibles and intellectual property

59. **Does the debtor have any interests in intangibles or intellectual property?**

- ☒ No. Go to Part 11.
☐ Yes Fill in the information below.

Part 11: All other assets

70. **Does the debtor own any other assets that have not yet been reported on this form?**

Include all interests in executory contracts and unexpired leases not previously reported on this form.

- ☐ No. Go to Part 12.
☒ Yes Fill in the information below.

Current value of
debtor's interest

Debtor	<u>O'Ryan Production & Exploration, Ltd.</u>	Case number (If known)	<u>25-90004</u>
	Name		
71.	Notes receivable Description (include name of obligor)		
72.	Tax refunds and unused net operating losses (NOLs) Description (for example, federal, state, local)		
73.	Interests in insurance policies or annuities		
74.	Causes of action against third parties (whether or not a lawsuit has been filed)		
75.	Other contingent and unliquidated claims or causes of action of every nature, including counterclaims of the debtor and rights to set off claims		
76.	Trusts, equitable or future interests in property		
77.	Other property of any kind not already listed <i>Examples: Season tickets, country club membership</i> Oil & Gas Leasehold Interests (see Exhibit Schedule A/B - 77) Book Value approx. \$4.2 million		Unknown
	Mineral Deeds		\$70,908.96
	Prospect Costs		\$37,998.02
	Intercompany Receivable - Scanrock Oil & Gas, Inc.		\$1,089,392.28
	Intercompany Receivable - Ryan C. Hoerauf, Inc. dba O'Ryan Oil & Gas		\$7,749,694.14
	Intercompany Receivable - Ryan Drilling, LLC dba O'Ryan Drilling		\$483,344.19
78.	Total of Part 11. Add lines 71 through 77. Copy the total to line 90.		\$9,431,337.59
79.	Has any of the property listed in Part 11 been appraised by a professional within the last year? ☒ No ☐ Yes		

Debtor O'Ryan Production & Exploration, Ltd.
Name

Case number (if known) 25-90004

Part 12: Summary

In Part 12 copy all of the totals from the earlier parts of the form

Type of property	Current value of personal property	Current value of real property
80. Cash, cash equivalents, and financial assets. <i>Copy line 5, Part 1</i>	<u>\$29.00</u>	
81. Deposits and prepayments. <i>Copy line 9, Part 2.</i>	<u>\$0.00</u>	
82. Accounts receivable. <i>Copy line 12, Part 3.</i>	<u>\$1,463,342.10</u>	
83. Investments. <i>Copy line 17, Part 4.</i>	<u>\$0.00</u>	
84. Inventory. <i>Copy line 23, Part 5.</i>	<u>\$0.00</u>	
85. Farming and fishing-related assets. <i>Copy line 33, Part 6.</i>	<u>\$0.00</u>	
86. Office furniture, fixtures, and equipment; and collectibles. <i>Copy line 43, Part 7.</i>	<u>\$0.00</u>	
87. Machinery, equipment, and vehicles. <i>Copy line 51, Part 8.</i>	<u>\$1,027,222.87</u>	
88. Real property. <i>Copy line 56, Part 9.....></i>		<u>\$0.00</u>
89. Intangibles and intellectual property. <i>Copy line 66, Part 10.</i>	<u>\$0.00</u>	
90. All other assets. <i>Copy line 78, Part 11.</i>	+ <u>\$9,431,337.59</u>	
91. Total. Add lines 80 through 90 for each column	<u>\$11,921,931.56</u>	+ 91b. <u>\$0.00</u>
92. Total of all property on Schedule A/B. Add lines 91a+91b=92		<u>\$11,921,931.56</u>

Fill in this information to identify the case:

Debtor name **O'Ryan Production & Exploration, Ltd.**

United States Bankruptcy Court for the: **NORTHERN DISTRICT OF TEXAS**

Case number (if known) **25-90004**

☐ Check if this is an amended filing

Official Form 206H
Schedule H: Your Codebtors

12/15

Be as complete and accurate as possible. If more space is needed, copy the Additional Page, numbering the entries consecutively. Attach the Additional Page to this page.

1. Do you have any codebtors?

☐ No. Check this box and submit this form to the court with the debtor's other schedules. Nothing else needs to be reported on this form.

☒ Yes

2. In Column 1, list as codebtors all of the people or entities who are also liable for any debts listed by the debtor in the schedules of creditors, Schedules D-G. Include all guarantors and co-obligors. In Column 2, identify the creditor to whom the debt is owed and each schedule on which the creditor is listed. If the codebtor is liable on a debt to more than one creditor, list each creditor separately in Column 2.

Column 1: Codebtor

Column 2: Creditor

Name

Mailing Address

Name

Check all schedules that apply:

2.1 **Eon Production, LLC** **8180 Lakeview Center, Suite 300 Odessa, TX 79765**

☐ D _____
☐ E/F _____
☐ G _____

2.2 **O'Ryan Family Limited Partnership** **8180 Lakeview Center, Suite 300 Odessa, TX 79765**

☐ D _____
☐ E/F _____
☐ G _____

2.3 **O'Ryan Ponderosa, LLC** **8180 Lakeview Center, Suite 300 Odessa, TX 79765**

☐ D _____
☐ E/F _____
☐ G _____

2.4 **O'Ryan Ranches, Ltd.** **8180 Lakeview Center, Suite 300 Odessa, TX 79765**

☐ D _____
☐ E/F _____
☐ G _____

2.5 **Ryan C. Hoerauf, Inc.** **dba O'Ryan Oil & Gas 8180 Lakeview Center, Suite 300 Odessa, TX 79765**

Prosperity Bank

☐ D _____
☐ E/F _____
☐ G _____

Debtor O'Ryan Production & Exploration, Ltd. Case number (if known) 25-90004

Additional Page to List More Codebtors

Copy this page only if more space is needed. Continue numbering the lines sequentially from the previous page.

Column 1: Codebtor

Column 2: Creditor

2.6 Scanrock Oil & Gas, Inc. 8180 Lakeview Center, Suite 300 Odessa, TX 79769 ☐ D _____
☐ E/F _____
☐ G _____

2.7 Smackover Oil Treaters, Ltd. 8180 Lakeview Center, Suite 300 Odessa, TX 79765 ☐ D _____
☐ E/F _____
☐ G _____

2.8 Ryan C. Hoerauf, Inc. dba O'Ryan Oil & Gas 8180 Lakeview Center, Suite 300 Odessa, TX 79765 Russell K Hall & Associates ☐ D _____
☐ E/F _____
☒ G 2.1

EXHIBIT E
(2024 Stockholders' Agreement)

STOCKHOLDERS' AGREEMENT

by and among

PB MATERIALS HOLDINGS, INC.,

CORNERSTONE INVESTMENT FCV LP

LGK ADVISORS III, L.P.

AND

THE OTHER HOLDERS NAMED HEREIN

dated as of December 31, 2024

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE 1 DEFINITIONS	
1.1 Definitions.....	1
1.2 Rules of Construction	12
ARTICLE 2 MANAGEMENT OF THE COMPANY AND CERTAIN ACTIVITIES	
2.1 Board of Directors.....	13
2.2 Other Activities of the Holders; Fiduciary Duties	15
2.3 Request for Sale of Company by Cornerstone FCV	16
ARTICLE 3 REGISTRATION RIGHTS	
3.1 Registered Offering.....	17
ARTICLE 4 TRANSFERS OF SECURITIES	
4.1 Drag Along Rights	17
4.2 Tag Along Rights.....	18
4.3 Certain Events Not Deemed Transfers	20
4.4 Preemptive Rights.....	20
4.5 Transfer and Exchange	22
4.6 Replacement Securities	22
ARTICLE 5 LIMITATION ON TRANSFERS	
5.1 Restrictions on Transfer.....	22
5.2 Restrictive Legends.....	23
5.3 Notice of Proposed Transfers.....	24
5.4 Right of First Refusal.....	24
5.5 Pledging of Interests to Lenders	26
ARTICLE 6 CALL OPTION	
6.1 Call Option.....	27
6.2 Notice and Closing.....	27
6.3 Assignment	28

**ARTICLE 7
TERMINATION**

7.1	Termination of Agreement.....	28
7.2	Termination of Rights	28

**ARTICLE 8
MISCELLANEOUS**

8.1	Notices	28
8.2	Information Rights	30
8.3	Legal Holidays	31
8.4	Governing Law	31
8.5	Exclusive Jurisdiction	31
8.6	Successors and Assigns.....	31
8.7	Counterparts; Facsimile Signatures	31
8.8	Severability	32
8.9	No Waivers; Amendments.....	32
8.10	Transfer Taxes	32
8.11	Entire Agreement; Third Parties	32
8.12	Confidentiality	33
8.13	Enforcement.....	33
8.14	Non-Competition; Non-Solicitation	33
8.15	WAIVER OF JURY TRIAL.....	34
8.16	Non-Survival of Original Agreement	34

SCHEDULE 1

1.1	Demand Registration	1
1.2	Piggyback Registrations.....	3
1.3	Registration on Form S-3.....	4
1.4	Holdback Agreement	5
1.5	Registration Procedures	5
1.6	Suspension of Dispositions	9
1.7	Registration Expenses	9
1.8	Indemnification.	10

SCHEDULE 2

2.1	Non-Competition; Non-Solicitation; Confidentiality.	1
-----	--	---

STOCKHOLDERS' AGREEMENT

This STOCKHOLDERS' AGREEMENT, (the "**Agreement**") dated as of December 31, 2024, is entered into by and among PB Materials Holdings, Inc. a Delaware corporation (including its successors, the "**Company**"), Cornerstone Investment FCV, LP, a Delaware limited partnership (the "**Cornerstone FCV**"), LGK Advisors III, L.P., a Delaware limited partnership ("**LGK Advisors**"), and the other holders of Securities (as defined below) named as Holders on the signature pages hereof and such other Persons (as defined below) executing a joinder hereto after the date hereof, for the purposes of evidencing their obligations with respect to Securities in the Company.

WHEREAS, the Company is party to that certain Stockholders Agreement dated as of October 2, 2013 (the "**Original Agreement**"), by and among the Company, WLR Recovery Fund V, L.P., a Delaware limited partnership (the "**Main Fund**"), WLR V Parallel ESC, L.P., a Delaware limited partnership (the "**Parallel Fund**"), WLR Select Co-Investment, L.P., a Cayman Islands limited partnership (the "**Co-Invest Fund**" and collectively with the Main Fund and the Parallel Fund, "**WLR**") and the other holders of Securities as of the date thereof which has been terminated in accordance with its terms on October 2, 2023;

WHEREAS, the Company, WLR, the Cornerstone FCV and LGK Advisors are parties to that certain Transaction Agreement, dated on November 8, 2024 (the "**Transaction Agreement**") by and among the Company, WLR, Cornerstone FCV, LGK Advisors and the other parties thereto, pursuant to which, *inter alia*, Cornerstone FCV acquired the Securities held by WLR and certain other holders of Securities (collectively, the "**Acquired Securities**") and all of the rights and benefits in respect of such Acquired Securities;

WHEREAS, in connection with the transactions contemplated by the Transaction Agreement, the Company has issued additional Securities to Cornerstone FCV and certain other Holders electing to participate in such issuance of Securities;

WHEREAS, following the consummation of the transactions by the Transaction Agreement, the Holders, being the holders of substantially all of the issued and outstanding Securities, wish to regulate the terms of their relationship as holders of the Securities, upon the terms, and subject to the conditions, set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises, mutual covenants and agreements hereinafter contained and for the other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto amend and restate the Original Agreement in its entirety as follows:

ARTICLE 1 DEFINITIONS

1.1 **Definitions.**

"**Accredited Investor**" means an "Accredited Investor", as defined in Regulation D, or any successor rule then in effect.

“**Accredited Offeree**” shall have the meaning set forth in Section 4.4.2.

“**Acquiring Holder**” shall have the meaning set forth in Section 5.4.1.

“**Additional Securities**” shall have the meaning set forth in Section 4.4.1.

“**Advice**” shall have the meaning set forth in Clause 1.6 of the Schedule.

“**Affiliate**” means, with respect to any Person, any Person who, directly or indirectly, controls, is controlled by, or is under common control with the Person. For purposes of this definition, “control” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

“**Agreement**” means this Stockholders’ Agreement, as it may be amended from time to time.

“**Authorization Date**” shall have the meaning set forth in Section 5.4.1.

“**Beneficially Own**” or “**Beneficially Owned**” shall refer to beneficial ownership as determined pursuant to Rule 13d-3 under the Exchange Act, or any successor rule then in effect.

“**Board**” or “**Board of Directors**” means the Board of Directors of the Company.

“**Business Day**” means a day that is not a Legal Holiday.

“**Call Option**” shall have the meaning set forth in Section 6.1.

“**Call Option Period**” shall have the meaning set forth in Section 6.2.

“**Call Price**” shall have the meaning set forth in Section 6.1.1.

“**Cause**”, with respect to a Person who is an Employee Holder and who is a party to a Services Agreement, has the meaning set forth in such Services Agreement. For any Person who is an Employee Holder and who is not a party to a Services Agreement or whose Services Agreement does not define “Cause”, “Cause” means any one or more of the following: (a) such Person’s conviction of, or entry of a plea of guilty, no contest or nolo contendere to, a felony or a crime involving moral turpitude; (b) such Person’s fraud, theft, dishonest acts, illegal conduct or other similar acts of material dishonesty; (c) such Person’s abuse of alcohol or use of controlled drugs (other than in accordance with a physician’s prescription) to an extent that it substantially interferes with the performance of his or her duties; (d) such Person’s willful engagement in any gross misconduct, or knowing violation of the applicable policies of the Company or any Subsidiary of the Company, which, in the case of misconduct or violations that are capable of being cured, are not cured to the reasonable satisfaction of the Board within fifteen (15) days following the Person’s receipt of written notice of such misconduct or violation; (e) if not cured within fifteen (15) days following receipt from the Company of written notice thereof, such Person’s material breach of this Agreement and any of the following agreements to which such Person (whether an Employee or his Employee Group) is a party: (i) the Purchase Agreement, or

(ii) such Person's Release executed in connection with the transactions contemplated by the Purchase Agreement; (f) such Person's material breach of any duty owed to the Company, any Subsidiary of the Company if not cured within fifteen (15) days following receipt from the Company of written notice thereof; or (g) such Person's commission of criminal perjury.

"Co-Invest Fund" shall have the meaning set forth in the introductory paragraph hereof.

"Co-Seller" shall have the meaning set forth in Section 4.1.1.

"Common Stock" means the shares of common stock, par value \$0.001 per share, of the Company and any capital stock into which such Common Stock hereafter may be converted or changed.

"Common Stock Equivalents" means, without duplication with any other Common Stock or Common Stock Equivalents, any rights, warrants, options, convertible securities or indebtedness, exchangeable securities or indebtedness, or other rights, in each case to be issued or exercisable for or convertible or exchangeable into, directly or indirectly, Common Stock and securities convertible or exchangeable into Common Stock, whether at the time of issuance or upon the passage of time or the occurrence of some future event.

"Company" shall have the meaning set forth in the introductory paragraph hereof.

"Competitive Activities" shall mean, directly or indirectly, owning, establishing, managing, joining, operating, performing, engaging in, participating in, being employed by, controlling, working for, consulting with, rendering services for doing business with, maintaining any interest in (proprietary, financial or otherwise) or participating in the ownership establishment, management, operation or control of, any Competitive Business in the applicable Restricted Territory. For the purposes of this Agreement, the following activities shall not be deemed to be Competitive Activities: (i) investing in publicly-traded equity securities of a Competitive Business constituting less than two percent (2%) of the outstanding securities of such class, (ii) owning shares of stock or other equity securities in any mutual fund or to own less than five percent (5%) of the equity securities of a private equity or other private investment fund that owns a Competitive Business. The Company further acknowledges and agrees that, with respect to OPE and its Permitted Transferees, such Person's involvement in the ownership, management and operation of the lines of business set forth on Schedule 6.1(c) to the applicable Purchase Agreements shall not be deemed to be Competitive Activities.

"Competitive Business" shall mean: (i) (A) any business that produces, designs, manufactures, sells, distributes, delivers or supplies ready-mix concrete, (B) any business that produces, mines, sells, distributes, delivers or supplies (i) limestone, sand and gravel aggregates for the construction industry or (ii) on-site crushed limestone for the oil and gas industry, or (C) any business that engages in sand, gravel, caliche or limestone crushing, processing, transport or sales, ready-mix concrete processing, transport or sales, or the manufacture and sale of pre-cast concrete bases for pumping units used in oil production, and (ii) any other business which the Company or the Subsidiaries, including Wallach Concrete, Inc., Highland Concrete Co., Crockett County Mining Venture No. 1, Ltd., and any subsidiaries of these entities (A) operates in or

competes with as of the date hereof or on the then current date or (B) operated in or competed with during the twelve (12) months prior to the date hereof or the then current date.

“Competitive Call Business” shall mean: (A) any business that produces, designs, manufactures, sells, distributes, delivers or supplies ready-mix concrete, (B) any business that produces, mines, sells, distributes, delivers or supplies (i) limestone, sand and gravel aggregates for the construction industry or (ii) on-site crushed limestone for the oil and gas industry, or (C) any business that engages in sand, gravel, caliche or limestone crushing, processing, transport or sales, ready-mix concrete processing, transport or sales, or the manufacture and sale of pre-cast concrete bases for pumping units used in oil production.

“Community Property State” means any of Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, or Wisconsin.

“Cornerstone FCV” shall have the meaning set forth in the introductory paragraph hereof.

“Cornerstone FCV Designees” shall have the meaning set forth in Section 2.1.1.

“Cornerstone FCV Notice Recipients” shall have the meaning set forth in Section 4.4.1.

“Crockett/Highland Designee” shall have the meaning set forth in Section 2.1.

“Crockett/Highland Holders” means any Holder (i) who is listed on Schedule 2.1.1(b), (ii) which is an entity whose equity interests are owned 100% by a Person listed on Schedule 2.1.1(b) or (iii) which is a trust 100% of whose beneficiaries (whether in the form of income or corpus, whether direct or indirect, whether actual or contingent) are Persons listed on Schedule 2.1.1(b).

“Demand Registration” shall have the meaning set forth in Clause 1.1.1(a) of the Schedule.

“Demand Request” shall have the meaning set forth in Clause 1.1.1(a) of the Schedule.

“Designee” shall have the meaning set forth in Section 2.1.

“Disposition” shall have the meaning set forth in Section 2.3.

“Election Notice” shall have the meaning set forth in Section 5.4.1.

“Employee” means an individual who is an employee of the Company or one or more Subsidiaries.

“Employee Group” means, with respect to any Employee, (a) such Employee; (b) such Employee’s spouse; (c) any Affiliate of such Employee; (d) any trust or other entity in which any Person described in clauses (a) through (c) is a beneficiary (whether in the form of income or

corpus, whether direct or indirect, whether actual or contingent); (e) any successor or transferee of any Person described in any of clauses (a) through (d); and any subsequent successors and transferees of any Person described in clause (e).

“Employee Group Holder” means any Holder who or which is included in, or is a member of, an Employee Group.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the SEC thereunder.

“Excluded Registration” means a registration under the Securities Act of (a) Securities to effect a Qualified IPO if such registration only includes equity securities to be issued by the Company and does not include any equity securities for the account of any other security holder of the Company, (b) Securities registered on Form S-8 or any similar successor form and (c) Securities registered to effect the acquisition of or combination with another Person.

“Fair Market Value” of:

(a) any portion of the consideration set forth in a Transfer Notice delivered pursuant to Section 5.4.1 which is not cash, means the fair market value of such non cash consideration or property as agreed upon by the parties participating in the transaction pursuant to which the Transfer Notice was delivered or in connection with which such property needs to be valued. In the event that, within ten (10) Business Days after the date the Transfer Notice or other applicable written notice is delivered such parties cannot agree upon the fair market value of the property concerned, then, within five (5) Business Days after such ten Business Day period has expired, such parties shall select an independent appraiser, who will determine the fair market value of such property as of the date of the Transfer Notice or other applicable written notice. Such independent appraiser will determine the fair market value of such property within thirty (30) days following its appointment. If, within the five (5) Business Days provided for such parties to select an independent appraiser, such parties are unable to agree upon an independent appraiser, the Selling Holder, on the one hand, and the other Holders participating in the transaction, on the other hand, will, within five (5) Business Days after the first five Business Day selection period expires, each select an independent appraiser, and such independent appraisers together will select a third independent appraiser that will determine the fair market value of such property, whose determination of the fair market value of such property will be final and binding. Such third appraiser will have thirty (30) days following his selection to determine the fair market value of such property. All fees and expenses for any appraisers selected hereunder shall be borne equally (50:50) by the selling Holder and the other Holders participating in the applicable transaction. Notwithstanding the foregoing, if the property to be appraised is capital stock and the capital stock is then listed or admitted to trading on a national securities exchange or is traded in the Over the Counter Bulletin Board Market or any successor thereto, the Fair Market Value of each share of capital stock shall be equal to the average of the closing price of such capital stock for the twenty (20) consecutive trading days immediately preceding the date of the applicable Transfer Notice. The closing price for any day shall be the last reported sale price or, in case no such reported sale takes place on such day, the average of the highest closing bid and lowest closing asked prices regular way for such day, in each case (i) on the principal national securities exchange on which the shares of such capital stock are listed or to which such shares are admitted to trading or (ii) if

such capital stock is not listed or admitted to trading on a national securities exchange, in the Over the Counter Bulletin Board Market.

(b) any Call Securities means the fair market value of such Call Securities as determined by the Board in good faith (i) as of the date of termination of such Employee Holder's employment with the Company or its Subsidiaries or (ii) as of, in the sole discretion of the Board, either the date a Holder became a Competitive Holder, or the date of notice of exercise of the Call Option. In the event that, within ten (10) Business Days after the Employee Holder's or Competitive Holder's (or their Permitted Transferees) receipt of written notice of the Company's (or its designee's) intention to purchase the Call Securities pursuant to the Call Option the Employee Holder or Competitive Holder, as applicable, delivers written notice to the Board of its objection to the Fair Market Value as determined by the Board, then the Company (or its designee), on the one hand, and the Employee Holder or Competitive Holder, on the other hand, shall select an independent appraiser, who will determine the Fair Market Value of the Call Securities within thirty (30) days following its appointment. If such parties are unable to agree upon an independent appraiser, the Company (or its designee), on the one hand, and the Employee Holder or Competitive Holder, on the other hand, will, within five (5) Business Days each select an independent appraiser, and such independent appraisers together will select a third independent appraiser that will determine the Fair Market Value of the Call Securities (provided, that (A) the Fair Market Value of any Call Securities held by such Holder and their respective Permitted Transferees that were issued in exchange for such Holder's Rollover Shares and any Additional Securities acquired by such Holder pursuant to Section 4.4.2 as a result of Holder's ownership of Rollover Shares shall be calculated without application of any discounts for minority ownership or lack of liquidity or marketability and (B) the Fair Market Value of all other Call Securities held by such Holder shall be calculated inclusive of any appropriate discounts for restrictions on transfer, disparate voting rights, minority ownership or lack of liquidity or marketability) within thirty (30) days following its appointment, which determination of the Fair Market Value of the Call Securities will be final and binding, absent manifest error. All fees and expenses for any appraisers selected hereunder shall be borne (i) by the Company if the appraiser establishes a Fair Market Value that is greater than one hundred and three percent (103%) of the Fair Market Value established by the Board, (ii) equally (50:50) by the Company and the Employee Group Holder or Competitive Holder, as applicable, if the appraiser establishes a Fair Market Value that is greater than or equal to ninety-seven percent (97%) and less than or equal to one hundred and three percent (103%) of the Fair Market Value established by the Board, or (iii) by the Employee Group Holder or Competitive Holder, as applicable, if the appraiser established a Fair Market Value that is less than ninety-seven percent (97%) of the Fair Market Value established by the Board.

"FINRA" shall have the meaning set forth in Clause 1.5(xiv) of the Schedule.

"Fully Diluted Common Stock" means, at any time, the then outstanding Common Stock plus (without duplication) all shares of Common Stock issuable, whether at such time or upon the passage of time or the occurrence of future events, upon the exercise, conversion or exchange of all then outstanding Common Stock Equivalents.

"GAAP" shall have the meaning set forth in Section 8.2.1.

“Governmental Authority” means any domestic or foreign government or political subdivision thereof, whether on a Federal, state or local level and whether executive, legislative or judicial in nature, including any agency, authority, board, bureau, commission, court, department or other instrumentality thereof.

“Holder” means (a) a holder of Securities listed on the signature page hereof, (b) any direct or indirect transferee of any such holder who shall become a party to this Agreement in accordance with Article 5, and (c) any Person executing a joinder as contemplated pursuant to the first paragraph of this Agreement and Section 8.9.

“Immediate Family” means the spouse of an individual and the grandparents, parents, siblings and children (and children and spouses of any of the foregoing) of the individual or his or her spouse. An adopted child will be treated as a child of his or her adoptive parent or parents (but only if the child was adopted before he or she reached twenty-one (21) years of age).

“Inspectors” shall have the meaning set forth in Clause 1.5(x) of the Schedule.

“Legal Holiday” shall have the meaning set forth in Section 8.3.

“Lien” means any of the following: mortgage; lien (statutory or other); other security agreement, arrangement or interest; hypothecation, pledge or other deposit arrangement; assignment; charge; levy; executory seizure; attachment; garnishment; encumbrance (including any easement, exception, reservation or limitation, right of way, and the like); conditional sale, title retention, voting agreement or other similar agreement, arrangement, device or restriction; preemptive or similar right; the filing of any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction; restriction on sale, transfer, assignment, disposition or other alienation; or any option, equity, claim or right of or obligation to, any other Person, of whatever kind and character.

“Line of Permitted Transferees” means, with respect to any Holder, (i) any Permitted Transferee of such Holder, (ii) any Permitted Transferee of any Person set forth in clause (i), and (iii) any other Permitted Transferee whose Securities can ultimately be tracked back through one or more other Permitted Transferees to such Holder.

“LSV” means certain investment vehicles or accounts managed or advised by LGK Advisors III, L.P. or its respective Affiliates.

“LSV Observers” shall have the meaning set forth in Section 2.1.1.

“LSV Springing Designees” shall have the meaning set forth in Section 2.1.1.

“Main Fund” shall have the meaning set forth in the introductory paragraph hereof.

“Marketable Securities” means securities which (a) are of a class that is listed or quoted on the New York Stock Exchange or quoted or listed on any other national securities exchange or the Over-the-Counter Bulletin Board, (b) are eligible for sale by the holder pursuant to a registration statement effective under the Securities Act or (c) the holder has an existing right

to cause to be registered under the Securities Act pursuant to a Registration Statement on a Form S-3.

“**Material Adverse Effect**” shall have the meaning set forth in Clause 1.1.4 of the Schedule.

“**Moving Party**” shall have the meaning set forth in Section 8.14.

“**Non-Cornerstone FCV Holder**” means any Holder that is not Cornerstone FCV.

“**Non-Cornerstone FCV Notice Recipient**” shall have the meaning set forth in Section 4.4.2.

“**Non-Transferring Holder**” shall have the meaning set forth in Section 5.4.1.

“**Observers**” shall have the meaning set forth in Section 2.1.1.

“**Offer Notice**” shall have the meaning set forth in Section 4.4.1.

“**Offered Securities**” shall have the meaning set forth in Section 5.4.1.

“**OPE**” means O’Ryan Production and Exploration, Ltd., a Texas limited partnership.

“**Parallel Fund**” shall have the meaning set forth in the introductory paragraph hereof.

“**Participation Offer**” shall have the meaning set forth in Section 4.2.1.

“**Permanent Disability**” shall mean any illness or physical or mental disability, incapacity, or condition (from any cause or causes whatsoever) as the result of which an Employee becomes qualified to receive long-term disability benefits or the equivalent under a plan or program providing such benefits maintained by the Company or any Subsidiary. In the event the Company or any Subsidiary do not maintain a plan or program of long-term disability benefits or the equivalent, then Permanent Disability shall mean any such illness, disability, incapacity, or condition that, in the written opinion of a medical expert reasonably acceptable to the Board, renders the Employee unable in any material respect to perform his or her duties as an Employee or as assigned by the Board, with or without reasonable accommodation, for more than one hundred eighty (180) days in any three hundred sixty (360) day period.

“**Permit**” means (a) any approval, permit, license, certificate, franchise, permission, clearance, registration, qualification, consent, or other authorization issued, granted or given by or under the authority of any Governmental Authority or pursuant to any law, (b) any right under any contract with any Governmental Authority, or (c) any of the foregoing that is required under applicable law for the conduct of the business of the Company or any Subsidiary.

“**Permitted Transfer**” means, for any Holder (whether Cornerstone FCV or a Non-Cornerstone FCV Holder), any Transfer (a) with respect to a Holder who is an individual, to a

member of the Immediate Family of such Holder, to a trust whose sole beneficiaries are such Holder or members of the Immediate Family of such Holder or to a Person the outstanding equity interests of which are owned entirely by such Holder or members of the Immediate Family of such Holder; (b) with respect to a Holder that is a trust, to any beneficiary of the trust or any member of the Immediate Family of a beneficiary of the trust; (c) with respect to Cornerstone FCV, (i) to any Affiliate of a Holder, or (ii) pursuant to a pledge to secure indebtedness; provided, that, the pledgee agrees in writing that the Securities subject to such Transfer shall be subject to the terms hereof; (d) upon the death of a Holder, to such Holder's executors, administrators, testamentary trustees, legatees or beneficiaries, except as provided in and subject to satisfaction of Article 6 in the case of an Employee's Terminated Holder Group; (e) with respect to the Crockett/Highland Holders, to any other Crockett/Highland Holder who was a Holder as of the Closing Date, (f) by a Holder pursuant to the provisions of Sections 2.3, 4.1, 4.2 or Article 6; (g) pursuant to a merger, consolidation, share exchange, scheme of arrangement, refinancing or recapitalization or other similar transaction by the Company or pursuant to an agreement to which the Company is a party; provided, that, the Holders shall have the rights set forth in Sections 4.1 and 4.2 with respect to any such transaction; and (h) by a Holder pursuant to a public offering registered under the Securities Act or pursuant to Rule 144 promulgated under the Securities Act; provided, that, in the case described in each of clauses (a) through (d) above, the proposed transferee shall (x) execute and deliver to the Company a written agreement pursuant to which such transferee agrees to be bound by this Agreement and (y) certify to the reasonable satisfaction of the Company that such transferee is an Accredited Investor; provided further, that, in the case described in clause (a) above, it is understood, acknowledged, and agreed that Transfers to a spouse in connection with, in, or incidental to a divorce proceeding or settlement shall not be Permitted Transfers and any such Transfer, whether voluntary or involuntary, shall be subject to the Transfer restrictions set forth in Article 5; and provided further, that in all cases, with respect to any Holder who is a Seller Indemnitor under any Purchase Agreement, any Person within such Holder's Line of Permitted Transferees shall take any and all Securities subject to the indemnity payment obligations of such Seller Indemnitor, including the forced transfer of such Securities to satisfy such indemnity payment obligations, as set forth in Section 7.5(b) of each Purchase Agreement.

"Permitted Transferee" means, with respect to any Holder, any Person who is the recipient of a Permitted Transfer from such Holder.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof.

"Preemptive Rights Offer" shall have the meaning set forth in Section 4.4.1.

"Preemptive Rights Transaction" shall have the meaning set forth in Section 4.4.1.

"Preferred Stock" means any shares of preferred stock of the Company that may be authorized from time to time.

"Proportionate Share" shall have the meaning set forth in Section 5.4.1.

“Purchase Agreements” means (i) that certain Securities Purchase Agreement by and among Wallach Concrete, Inc., a New Mexico corporation, Permian Basin Materials, LLC, a Delaware limited liability company and wholly-owned subsidiary of the Company (**“Purchaser”**), Robert Tyler Wallach Separate Property Trust, a trust formed under the laws of the State of New Mexico, Sara Elizabeth Wallach Separate Property Trust, a trust formed under the laws of the State of New Mexico, Bryce William Wallach Separate Property Trust, a trust formed under the laws of the State of New Mexico, Robert Ray Wallach, both individually and in his capacity as the sellers’ representative, and the other parties thereto, (ii) that certain Securities Purchase Agreement, by and among Highland Concrete Co., a Texas corporation, Purchaser, Larry Bates, Ryan Hoerauf, both individually and in his capacity as the sellers’ representative, Amber Gill (formerly known as Amber Hoerauf), Matthew Hoerauf, Dan Arnold, Shawna Arnold, and the other parties thereto, and (iii) that certain Securities Purchase Agreement, by and among Crockett County Mining Venture No. 1, Ltd., a Texas limited partnership, Purchaser, PBM Crockett GP, LLC, a Delaware limited liability company and wholly-owned subsidiary of the Company (**“PBM GP”**), Crockett County Mining, L.L.C., a Texas limited liability company, Larry Bates, O’Ryan Production and Exploration, Ltd., a Texas limited partnership, and Ryan Hoerauf, in his capacity as the sellers’ representative and the other parties thereto.

“Qualified IPO” means a firm commitment underwritten public offering of Common Stock for cash pursuant to an effective registration statement under the Securities Act in respect of which the aggregate proceeds to the Company (prior to deducting any underwriters’ discounts and commissions) from such offering and any similar prior public offerings equal or exceed \$20,000,000 and resulting in a total market capitalization for the Company of \$75,000,000.

“Records” shall have the meaning set forth in Clause 1.5(x) of the Schedule.

“Registrable Shares” means at any time (a) the Common Stock owned by the Holders and (b) Common Stock issuable pursuant to or upon exercise, conversion or exchange of Common Stock Equivalents owned by the Holders whether owned on the date hereof or acquired hereafter; provided, that, Registrable Shares shall not include any shares (i) the sale of which has been registered pursuant to the Securities Act and which shares have been sold pursuant to such registration or (ii) which have been sold or which may be sold without limitation with respect to volume or manner of sale pursuant to Rule 144 under the Securities Act.

“Registration Expenses” shall have the meaning set forth in Clause 1.7 of the Schedule.

“Regulation D” means Regulation D promulgated under the Securities Act by the SEC.

“Requesting Holders” shall have the meaning set forth in Clause 1.1.5 of the Schedule.

“Required Filing Date” shall have the meaning set forth in Clause 1.1.1(b) of the Schedule.

“Required Governmental Approvals” means any approval, permit, license, certificate, franchise, permission, clearance, registration, qualification or other authorization

issued, granted, given, or otherwise made available by or under the authority of any Governmental Authority or similar body, including the termination or expiration of any waiting period (and any extension thereof) under the Hart- Scott-Rodino Antitrust Improvements Act of 1976.

“Required Holders” means Holders who then Beneficially Own a majority of the aggregate number of shares of Common Stock and Common Stock Equivalents (without duplication) subject to this Agreement.

“Required S-3 Filing Date” shall have the meaning set forth in Clause 1.3.1(b) of the Schedule.

“Restricted Territory” means (x) with respect to any Competitive Business that supplies products or services to, or otherwise conducts business with, any Person in the oil and gas services industry, in all states within the United States and (y) with respect to any other Competitive Business, within the States of Texas, New Mexico, Oklahoma, Louisiana, Arkansas, Arizona, Utah or Colorado, and any other state in which the Company or the Subsidiaries operates or competes as of the date hereof or on the then current date operated in or competed with during the twelve (12) months prior to the date hereof or the then current date.

“Rollover Shares” means those shares defined as “Parent Shares” in the applicable Purchase Agreement.

“S-3 Registration” shall have the meaning set forth in Clause 1.3.1(a) of the Schedule.

“S-3 Request” shall have the meaning set forth in Clause 1.3.1(a) of the Schedule.

“Sale” shall have the meaning set forth in Section 4.2.1.

“Schedule” means Schedule 1 attached hereto.

“SEC” means the Securities and Exchange Commission.

“Security” or **“Securities”** means issued and outstanding shares of Common Stock, Preferred Stock and Common Stock Equivalents, whether owned on the date hereof or hereafter acquired.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated by the SEC thereunder.

“Seller Affiliates” shall have the meaning set forth in Clause 1.8.1 of the Schedule.

“Selling Member” shall have the meaning set forth in Section 4.1.1.

“Services Agreement” means any agreement or arrangement pursuant to which a Person is employed by or provides any services to the Company or a Subsidiary of the Company including without limitation, the Employment Agreements to be entered into by the Company or a Subsidiary with the persons listed on Exhibit A hereto.

“Significant Sale” shall have the meaning set forth in Section 4.1.1.

“Subsidiary” means (a) a corporation, limited liability company or limited partnership, a majority of whose outstanding shares of capital stock with voting power, under ordinary circumstances, to elect directors, is at the time, directly or indirectly, owned by the Company or one or more direct or indirect subsidiaries of the Company and (b) any other Person (other than a corporation) in which the Company or one or more direct or indirect subsidiaries of the Company, directly or indirectly, at the date of determination thereof, has (i) at least a majority ownership interest or (ii) the power to elect or direct the election of the directors or other governing body of such Person.

“Suspension Notice” shall have the meaning set forth in Clause 1.6 of the Schedule.

“Transfer” means (a) any direct or indirect sale, transfer, pledge, hypothecation, assignment, gift, conveyance or other disposition of any direct or indirect legal or beneficial rights or interest as to any Security (including any interest in the property that is the subject of the Transfer, the creation of any Lien, or the granting or maintenance of any proxy, voting right, participation, cash flow, derivative, option, or hedge), or (b) any entry into an agreement or understanding with respect to the foregoing; provided, that, a merger or consolidation involving the Company in which the Company does not survive shall not be a Transfer if the stockholders of the Company immediately before the merger or consolidation own at least fifty percent (50%) of the outstanding capital stock of the entity that survives the merger or consolidation.

“Transfer Notice” shall have the meaning set forth in Section 5.3.

“Transferring Holder” shall have the meaning set forth in Section 5.4.1.

“Wallach Designee” shall have the meaning set forth in Section 2.1.

“Wallach Holders” means any Holder (i) who is listed on Schedule 2.1.1(a), (ii) which is an entity whose equity interests are owned 100% by a Person listed on Schedule 2.1.1(a) or (iii) which is a trust 100% of whose beneficiaries (whether in the form of income or corpus, whether direct or indirect, whether actual or contingent) are Persons listed on Schedule 2.1.1(a).

“WLR” shall have the meaning set forth in the introductory paragraph hereof.

1.2 **Rules of Construction**. Unless the context otherwise requires:

1.2.1 a term has the meaning assigned to it;

1.2.2 “or” is not exclusive and means “and / or”;

1.2.3 words in the singular include the plural, and words in the plural include the singular;

1.2.4 pronouns shall be deemed to refer to the masculine, feminine or neuter gender as the identity of the applicable Person may require;

1.2.5 provisions apply to successive events and transactions;

1.2.6 the word “including” (in its various forms) means “including, without limitation;”

1.2.7 [intentionally omitted]

1.2.8 references to Sections, subsections and other subdivisions refer to Sections, subsections and other subdivisions of this Agreement unless expressly provided otherwise; and

1.2.9 “herein,” “hereof” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision.

ARTICLE 2 MANAGEMENT OF THE COMPANY AND CERTAIN ACTIVITIES

2.1 Board of Directors.

2.1.1 Board Composition. The number of directors constituting the Board of Directors of the Company shall be seven (7), subject to increase or reduction pursuant to this paragraph. Of the Board members from time to time serving, (i) Cornerstone FCV shall initially have the ability to appoint up to four (4) directors (the “**Cornerstone FCV Designees**”); (ii) the Chief Executive Officer of the Company shall serve as one (1) director, (iii) the Wallach Holders shall be entitled to designate or appoint one (1) director (the “**Wallach Designee**”); provided that the Wallach Holders collectively hold at least (A) two and half percent (2.5%) of the Fully Diluted Common Stock and (B) that number of Securities equal to at least fifty percent (50%) of the amount equal to the sum of (x) the number of Securities held by the Wallach Holders as of the effective date of the Original Agreement, plus (y) the total maximum number of Securities that could have been purchased by the Wallach Holders pursuant to their preemptive rights contained in Section 4.4 or any successor provision (whether or not the Securities were actually purchased); and (iv) the Crockett/Highland Holders shall be entitled to designate or appoint one (1) director (the “**Crockett/Highland Designee**”); provided that the Crockett/Highland Holders collectively hold at least (A) two and half percent (2.5%) of the Fully Diluted Common Stock and (B) that number of Securities equal to at least fifty percent (50%) of the amount equal to the sum of (x) the number of Securities held by the Crockett/Highland Holders as of the effective date of the Original Agreement, plus (y) the total maximum number of Securities that could have been purchased by the Crockett/Highland Holders pursuant to their preemptive rights contained in Section 4.4 or any successor provision (whether or not the Securities were actually purchased). In addition, LSV shall have the right, but not the obligation, at all times to appoint up to two non-voting observers to the Board of Directors (the “**LSV Observers**”), one or both of which observers, upon LSV’s instruction to Cornerstone FCV, Cornerstone FCV shall cause to be converted into voting members of the Board of Directors (the “**LSV Springing Designees**” and together with the remaining Cornerstone FCV Designees, the Wallach Designee and the Crockett/Highland Designee, the “**Designees**”). Such LSV Springing Designees, once so designated, may be converted back to non-voting observers upon LSV’s instruction to Cornerstone FCV to cause the same. Upon LSV’s election to instruct Cornerstone FCV to appoint one or both of the LSV Springing Designees, the total number of directors constituting the Board of Directors shall automatically (i) increase by one (1) upon each such conversion of any observer position into an LSV Springing Designee and (ii) decrease

by one (1) upon conversion of any LSV Springing Designee back to a non-voting observer. The Cornerstone FCV shall otherwise be permitted to increase or reduce the size of the Board of Directors solely with LSV's approval. Each Holder shall vote his or its Securities at any regular or special meeting of stockholders of the Company or in any written consent executed in lieu of such a meeting of stockholders and shall take all other actions necessary to give effect to the foregoing and to any other agreements contained in this Agreement and to ensure that the certificate of incorporation and bylaws at any time do not conflict at any time in any respect with the provisions of this Agreement. In order to effectuate the provisions of this Section 2.1.1, each Holder hereby agrees that when any action or vote is required to be taken by such Holder pursuant to this Agreement, such Holder shall use his or its best efforts to call, or cause the appropriate officers and directors of the Company to call, a special or annual meeting of stockholders of the Company, as the case may be, or execute or cause to be executed a consent in writing in lieu of any such meetings pursuant to Section 228(a) of the General Corporation Law of the State of Delaware. Nothing in this Agreement shall require any Holder to vote for the election of any Person to the Board of Directors who has been convicted of a felony or who has been found guilty in civil proceedings by a court of competent jurisdiction of any act involving fraud, deceit, or deceptive or unfair trade practices. To the extent that (i) the Wallach Holders do not have the right to appoint the Wallach Designee and collectively hold forty percent (40%) or more of the initial Securities held by the Wallach Holders as of the date hereof, or (ii) the Crockett/Highland Holders do not have the right to appoint the Crockett/Highland Designee and collectively hold forty percent (40%) or more of the initial Securities held by the Crockett/Highland Holders as of the date hereof, then the Wallach Holders or Crockett/Highland Holders, as applicable, shall have the right to designate one non-voting observer (together with the LSV Observers, the "**Observers**"). Each Observer shall have the right to attend meetings of the Board of Directors, the board of directors or similar body of each material Subsidiary and any committee of the Board of Directors or any of such Subsidiaries' boards (all such meetings are referred to herein as "**Corporate Meetings**"). The Company shall take all such necessary action to cause each material Subsidiary to comply with the foregoing requirement as provided herein. The Holders designating such Observer shall have the right to replace such observer by written notice to the Company (such replacement shall be effective immediately upon receipt of such notice). Each Observer shall be entitled to notice of all Corporate Meetings and distributions of all Corporate Meeting materials (including any actions by written consent) in the same manner and at the same time as such notices and materials are provided to the applicable board members and shall be entitled to attend all Corporate Meetings (including any executive sessions of such meetings), but not to vote on any matters thereat. Each Observer agrees to hold in confidence and trust all information so provided to him or her or learned by him or her in connection with his or her rights hereunder, and to be subject to any confidentiality obligations applicable to board members in their capacity as such, except to the extent otherwise required by law and any other regulatory process to which such observer is subject. The Company and each Subsidiary reserve the right to withhold any information or to exclude any observer from any meeting or portion thereof if, in the opinion of counsel to the Company, access to such information or attendance at such meeting would compromise the attorney-client privilege between the Company or any of its Subsidiaries and their respective counsel.

2.1.2 Vacancies. If, prior to his or her election to the Board of Directors of the Company pursuant to Section 2.1.1, any Designee shall be unable or unwilling to serve as a director of the Company, the group of Holders entitled to designate such Designee pursuant to Section 2.1.1, shall be entitled to nominate a replacement who shall then be a Designee of such

group for purposes of this Section 2.1. If, following an election to the Board of Directors of the Company pursuant to Section 2.1.1, any Designee shall resign, be removed or be unable to serve for any reason prior to the expiration of his or her term as a director of the Company, the group of Holders entitled to designate such Designee pursuant to Section 2.1.1, may (but shall not be required to), within thirty (30) days of such event, notify the Board of Directors of the Company in writing of a replacement Designee, and either (a) the Holders shall vote their shares of Securities, at a regular or special meeting that shall be called for the purpose of filling positions on the Board of Directors of the Company or in any written consent executed in lieu of such a meeting of stockholders, and shall take all such other actions necessary to ensure the election to the Board of Directors of the Company of such replacement Designee to fill the unexpired term of the Designee who such new Designee is replacing or (b) the Board of Directors shall elect such replacement Designee to fill the unexpired term of the Designee who such new Designee is replacing. If a group of Holders entitled to designate a Designee pursuant to Section 2.1.1, requests that any such Designee be removed as a director (with or without Cause) by written notice thereof to the Company, then the Company shall take all actions necessary to effect, and each of the Holders shall vote all its shares of Securities in favor of, such removal upon such request.

2.1.3 Proxies; Agreements among Holders. No Holder shall grant any proxy or enter into or agree to be bound by any voting agreement or voting trust with respect to voting any Securities, except as provided herein. No Holder shall enter into any stockholder agreement or arrangement of any kind with any Person with respect to any Securities inconsistent with the provisions of this Agreement (whether or not such agreements and arrangements are with other Holders or any other holders of Securities that are not bound by this Agreement).

2.1.4 Board Voting. Any approval required by the Board of Directors under this Agreement shall be made by a majority of directors constituting the Board of Directors, unless expressly stated otherwise under this Agreement.

2.1.5 Costs and Expenses. The Company will pay or reimburse all reasonable out-of-pocket expenses incurred by each member of the Board of Directors in connection with their participation in meetings of the Board of Directors (and committees thereof) of the Company. The Company shall pay or reimburse the Cornerstone FCV for all Reimbursable Expenses (either exclusively relating to the Company and the Subsidiaries or jointly with respect to multiple entities, in which case the Cornerstone FCV shall invoice the Company for its aggregate allocable portion of such expenses). As used in this Agreement, the term “**Reimbursable Expenses**” means all reasonable disbursements and out-of-pocket expenses (including fees and expenses of third party lenders and other third party financing sources; fees and expenses of attorneys, accountants, and other professionals; airfare, lodging, and other travel or transportation expenses; entertainment expenses; board expenses; postage, couriers, and other communication charges; filing fees and other organizational or recordation expenses; and so forth) reasonably incurred by the Cornerstone FCV for the account of the Company or the Subsidiaries or in connection with the Cornerstone FCV’s ownership of Securities and, if applicable, Additional Securities, or the provision of advice or monitoring or other services by the Cornerstone FCV to the Company and the Subsidiaries.

2.2 Other Activities of the Holders; Fiduciary Duties. It is understood and accepted that the Cornerstone FCV may have interests in other business ventures which may be in conflict with the activities of the Company or any Subsidiary and that, subject to applicable law, nothing

in this Agreement shall limit the current or future business activities of the Cornerstone FCV whether or not such activities are competitive with those of the Company or any Subsidiary. Nothing in this Agreement, express or implied, shall relieve any officer or director of the Company or any Subsidiary, or any the Cornerstone FCV, of any fiduciary or other duties or obligations they may have to the Company's stockholders or any obligations under any employment agreement or other agreement with the Company or any Subsidiary.

2.3 Request for Sale of Company by Cornerstone FCV. Notwithstanding anything to the contrary contained in this Agreement other than the provisions of Section 7.1, at any time after the date of this Agreement, Cornerstone FCV shall have the right, but shall in no event be required, to cause the Company to effect a sale of all outstanding equity securities of the Company by way of a sale of securities, exchange, merger or consolidation of the Company with a third party not Affiliated with any one or more members of the Cornerstone FCV (a "**Disposition**") for consideration consisting of cash, securities or a combination of cash and securities. If the Cornerstone FCV elects to exercise its right to require a Disposition, it shall deliver a written notice of such election to the Company and each of the Holders. To the extent necessary in order to consummate such Disposition, each Holder hereby agrees to vote all of its or his Securities in favor of such Disposition upon the request of the Cornerstone FCV. Notwithstanding anything to the contrary contained herein, each of the Holders shall receive the same consideration for each of the Securities it then Beneficially Owns as the Cornerstone FCV receives for its Securities in such Disposition; provided, that the purchase price payable for securities of a Holder that are not the same as the Securities being sold by the Cornerstone FCV shall be adjusted, as appropriate, to reflect the comparative economics of such securities; provided, further, that no Holder shall be required to make any representations or warranties in connection with such Disposition other than representations and warranties as to (a) such Holder's ownership of its Securities to be Transferred being free and clear of all Liens other than as provided for in this Agreement, (b) such Holder's power and authority to effect such Transfer and (c) such matters pertaining to such Holder with respect to compliance with securities laws as the purchaser may reasonably require; provided further, that if the consideration to be received by the members of the Cornerstone FCV includes any securities, then, unless Cornerstone FCV and the transferee both reasonably determine that an exemption is otherwise available under the Securities Act and all applicable state securities laws for such transaction, only Holders who have certified to the reasonable satisfaction of the Cornerstone FCV that they are Accredited Investors shall be entitled to participate in such Transfer, unless the transferee consents otherwise. Any obligations of the Holders arising under the definitive documentation for such Disposition shall relate to the representations and warranties described above and to any post closing indemnification or similar post closing obligations (other than for any representations or warranties described above that are given by other Holders) imposed upon members of the Cornerstone FCV and shall be in proportion to and several, not joint and several, and in an amount no greater than the consideration received by such Holder in such Disposition. In no event shall any Holder be required to sell any Securities if the sale thereof would be in violation of any law, rule, regulation, statute or order of any Governmental Authority. The rights of the Cornerstone FCV under this Section 2.3 shall terminate at such time as the right of the Cornerstone FCV to designate directors under Section 2.1.1 terminates in accordance with Section 2.1.3. Each party shall bear its own costs and expenses in connection with a sale of the Company to which this Section 2.3 applies, except that the Company shall pay the cost of one counsel selected by the Holders other than the Cornerstone FCV to represent such Holders in confirming that the sale of the Company pursuant to this Section 2.3 and the documentation related

to such sale of the Company complies with the terms of this Agreement. For the avoidance of doubt, the foregoing shall not restrict any Holder from separately engaging (and paying the expenses of) counsel to represent such Holder in connection with a sale of the Company to which this Section 2.3 applies.

ARTICLE 3 REGISTRATION RIGHTS

3.1 **Registered Offering.** The provisions set out in the Schedule shall govern the rights and obligations of the parties hereto with respect to the registration of shares of Securities.

ARTICLE 4 TRANSFERS OF SECURITIES

4.1 **Drag Along Rights.**

4.1.1 **Applicability.** In connection with any Transfer to a third party not Affiliated with any one or more members of the Cornerstone FCV in an arm's length transaction for consideration (other than a Permitted Transfer) by one or more members of the Cornerstone FCV (collectively, a "**Selling Member**") of Securities, directly or indirectly, in one or a series of related transactions, representing more than forty percent (40%) of the Fully Diluted Common Stock then held by the Cornerstone FCV (a "**Significant Sale**"), the Selling Member shall have the right, but shall in no event be required, subject to Section 5.4, to require each non-selling Holder (each, a "**Co-Seller**") to Transfer, and each Co-Seller shall be required to Transfer, a portion of such Co-Seller's Securities which represents the same percentage of the total Fully Diluted Common Stock held by such Co-Seller as the Securities being disposed of by the Selling Member represents of the total Fully Diluted Common Stock held by the Cornerstone FCV, such Securities to be Transferred free and clear of all Liens, other than as provided for in this Agreement. If a Significant Sale also involves the Transfer by a Selling Member of Preferred Stock, then this Section 4.1 shall apply *mutatis mutandis* to such Significant Sale. All Securities Transferred by Co-Sellers pursuant to this Section 4.1.1 shall be sold at the same price and otherwise treated identically with the Securities being sold by the Selling Member in all respects; provided, that, in applying this Section 4.1, the Selling Member's rights hereunder shall first be applied to Securities of a Co-Seller that are the same as the Securities being Transferred by the Selling Member and then, to the extent that like Securities are insufficient to satisfy such Co-Seller's obligations hereunder, to the other Securities of such Co-Seller (after exercise, exchange or conversion into shares of Common Stock); provided, further, that the purchase price payable for Securities of a Co-Seller that are not the same as the Securities being sold by the Selling Member shall be adjusted, as appropriate, to reflect the comparative economics of such Securities; and provided, further, that the Co-Seller shall not be required to make any representations or warranties in connection with such Transfer other than representations and warranties as to (a) such Co-Seller's ownership of its Securities to be Transferred being free and clear of all Liens other than as provided for in this Agreement, (b) such Co-Seller's power and authority to effect such Transfer, (c) such matters pertaining to compliance with securities laws as the transferee may reasonably require, and (d) such other matters as are reasonably represented and warranted by the Selling Member; provided further, that if the consideration to be received by the Selling Member includes any securities, then, unless Cornerstone FCV and the transferee both reasonably determine that an exemption is otherwise

available under the Securities Act and all applicable state securities laws for such transaction, only Co-Sellers who have certified to the reasonable satisfaction of the Cornerstone FCV that they are Accredited Investors shall be entitled to participate in such Transfer, unless the transferee consents otherwise. The Company shall pay the cost of one counsel selected by the Holders other than the Cornerstone FCV to represent them in connection with a sale of the Company to which this Section 4.1 applies for the limited purpose of confirming that such sale and the related documentation complies with this Agreement. For the avoidance of doubt, the foregoing shall not be deemed to prohibit any Holder from separately engaging (and paying the expenses of) counsel to represent such Holder in connection with a sale of the Company to which this Section 4.1 applies.

The obligations of the Co-Sellers pursuant to this Section 4.1.1 are also subject to the satisfaction of the following conditions: (i) if any Holders of a class are given an option as to the form and amount of consideration to be received, all Holders of such class shall be given the same option, (ii) each of the Cornerstone FCV, the Company and the Co-Sellers shall bear its own costs and expenses in connection with a Significant Sale to which this Section 4.1 applies and (iii) any obligations of the Co-Sellers other than the Cornerstone FCV arising under the definitive documentation for such Significant Sale shall relate to the representations and warranties described above and to any post closing indemnification or similar post closing obligations imposed upon members of the Cornerstone FCV and shall be in proportion to and several, not joint and several, and in an amount no greater than the consideration received by such Co-Seller in such Significant Sale with respect to matters addressed therein.

4.1.2 Notice of Significant Sale. The Selling Member shall give each Co-Seller at least twenty (20) days' prior written notice of any Significant Sale as to which the Selling Member intends to exercise its rights under this Section 4.1 and such notice shall include (a) the material terms and conditions of the Significant Sale, including the purchase price per share, (b) the expected closing date of the Significant Sale, and (c) a copy of a draft of the proposed purchase agreement, if then available (and if not then available, the Selling Member shall provide a copy of such draft as soon as it becomes available). If a Selling Member elects to exercise its rights under this Section 4.1, the Co-Sellers shall take such actions as may be reasonably required and otherwise cooperate in good faith with the Selling Member in connection with consummating the Significant Sale (including the voting of Securities to approve such Significant Sale). At the closing of such Significant Sale, each Co-Seller shall deliver certificates for all Securities to be sold by such Co-Seller, duly endorsed for Transfer to the purchaser against payment of the appropriate purchase price.

4.1.3 Notwithstanding anything contained in this Section 4.1, there shall be no liability on the part of any member of the Cornerstone FCV to any Co-Seller if the sale of Securities pursuant to this Section 4.1 is not consummated for whatever reason. Whether to effect a sale of Securities pursuant to this Section 4.1 by a member of the Cornerstone FCV is in the sole and absolute discretion of such member of the Cornerstone FCV.

4.2 Tag Along Rights.

4.2.1 Applicability. In connection with any Transfer for consideration (other than a Permitted Transfer) by one or more members of the Cornerstone FCV of Securities, directly or

indirectly, in one or a series of related transactions, representing forty percent (40%) or more of the Fully Diluted Common Stock (a “Sale”) then held by the Cornerstone FCV, and it does not, or cannot, elect to exercise its rights under Section 4.1, then at least twenty (20) days prior to the closing of such Sale, the Cornerstone FCV shall make a written offer (the “Participation Offer”) to each Co-Seller to include in the proposed Sale a portion of such Co-Seller’s Securities that represents the same percentage of such Co-Seller’s total Fully Diluted Common Stock as the Securities being sold by the Cornerstone FCV represents of its total Fully Diluted Common Stock. If such Sale involves the Transfer by a Selling Member of Preferred Stock, then this Section 4.2 shall apply *mutatis mutandis* to such Sale. In applying this Section 4.2.1, a Co-Seller’s rights hereunder shall first be applied to Securities of such Co-Seller that are the same as the Securities being Transferred by the Selling Member and then, to the extent that like Securities are insufficient to satisfy such Co-Seller’s rights hereunder, to the other Securities of such Co-Seller; provided, that, if the purchaser of the Securities refuses to purchase Securities of Co-Sellers that are not the same as the Securities being Transferred by the Selling Member, a Co-Seller’s rights hereunder shall be limited to the Transfer of Securities of such Co-Seller that are the same as the Securities being sold by the Selling Member; provided further, that if the consideration to be received by the Selling Member includes any securities, then, unless the Cornerstone FCV and the transferee both reasonably determine that an exemption is otherwise available under the Securities Act and all applicable state securities laws for such transaction, only Co-Sellers who have certified to the reasonable satisfaction of the Cornerstone FCV that they are Accredited Investors shall be entitled to participate in such Transfer, unless the transferee consents otherwise.

4.2.2 Terms of Participation Offer. The Participation Offer shall describe the terms and conditions of the proposed Sale and shall be conditioned upon (a) the consummation of the transactions contemplated in the Participation Offer with the transferee named therein, and (b) each Co-Seller’s execution and delivery of all agreements and other documents related to the Transfer of the Securities as the members of the Cornerstone FCV are required to execute and deliver in connection with such Sale; provided, that, each Co-Seller shall not be required to make any representations or warranties in connection with such Transfer other than representations and warranties as to (i) such Co-Seller’s ownership of its Securities to be sold or Transferred free and clear of all Liens other than as provided for in this Agreement, (ii) such Co-Seller’s power and authority to effect such Transfer, (iii) such matters pertaining to compliance with securities laws as the transferee may reasonably require, and (iv) such other matters as are represented and warranted by a selling member of the Cornerstone FCV. Any obligations of the Co-Sellers arising under the definitive documentation for such Sale shall relate to the representations and warranties described above and to any post closing indemnification or similar post closing obligations (other than for any representations or warranties described above that are given by other Holders) imposed upon members of the Cornerstone FCV and shall be in proportion to and several, not joint and several, and in an amount no greater than the consideration received by such Co-Seller. If any Co-Seller shall accept the Participation Offer by written notice to the Cornerstone FCV within ten (10) days after the date on which such Co-Seller receives the Participation Offer, the Cornerstone FCV shall reduce, to the extent necessary, the number of Securities it otherwise would have sold in the proposed Transfer so as to permit those Co-Sellers who have accepted the Participation Offer to sell the number of Securities that they are entitled to sell under this Section 4.2 and the Cornerstone FCV and such Co-Sellers shall Transfer the Securities specified in the Participation Offer to the proposed transferee in accordance with the terms of such Transfer as set forth in the Participation Offer. The purchase price payable for Securities of a Co-Seller that are not the same

as the Securities being sold by the Selling Member shall be adjusted, as appropriate, to reflect the comparative economics of such Securities.

4.2.3 Notwithstanding anything contained in this Section 4.2, there shall be no liability on the part of any member of the Cornerstone FCV to any Co-Seller if the Sale of Securities pursuant to this Section 4.2 is not consummated for whatever reason. Whether to effect a Sale of Securities pursuant to this Section 4.2 by a member of the Cornerstone FCV is in the sole and absolute discretion of such member of the Cornerstone FCV.

4.3 **Certain Events Not Deemed Transfers.** In no event shall a Disposition constitute a Significant Sale or a Sale for purposes of Sections 4.1 or 4.2.

4.4 **Preemptive Rights.**

4.4.1 **Right to Participate in Future Sales by the Cornerstone FCV Holders.** If the Company or any of its Subsidiaries proposes to issue or sell any equity or debt securities of the Company or any securities containing options or rights to acquire equity or debt securities of the Company (the “**Additional Securities**”), the Company shall, no later than twenty (20) days (or such lesser time determined by the Board in its good faith discretion if the Company or such Subsidiary is in bankruptcy or default under any outstanding indebtedness or the financial condition of the Company or such Subsidiary is such that a bankruptcy or a default is reasonably expected to occur and, in each case, the Board determines that the issuance or sale of Additional Securities of the Company or such Subsidiary would cure (or would be reasonably likely to avoid) such bankruptcy or default) prior to the consummation of such transaction (a “**Preemptive Rights Transaction**”), give written notice of such Preemptive Rights Transaction (the “**Offer Notice**”) to each Cornerstone FCV Holder (each a “**Cornerstone FCV Notice Recipient**” and collectively the “**Cornerstone FCV Notice Recipients**”), with a copy to all Non-Cornerstone FCV Holders. The Offer Notice shall describe the proposed Preemptive Rights Transaction, identify the proposed purchaser, and contain an offer (the “**Preemptive Rights Offer**”) to sell to each Cornerstone FCV Notice Recipient, at the same price and for the same consideration to be paid by the proposed purchaser, all or any part of such Cornerstone FCV Notice Recipient’s pro rata portion of the Additional Securities (which shall be based on the ratio that the Fully Diluted Common Stock then held by such Cornerstone FCV Notice Recipient bears to the amount of the then Fully Diluted Common Stock, excluding, for purposes of such calculation, any shares of Common Stock issuable upon exercise of any Common Stock Equivalents granted pursuant to any employee, officer or director benefit plan or arrangement). If any such Cornerstone FCV Notice Recipient fails to accept in writing the Preemptive Rights Offer with respect to all or any part of such Additional Securities offered to such Cornerstone FCV Notice Recipient within the time period specified in the Offer Notice, the Company may, subject to Section 4.4.2, proceed with the proposed Preemptive Rights Transaction with respect to such Additional Securities as to which the Preemptive Rights Offer has not been accepted, free of any right on the part of any such Cornerstone FCV Notice Recipient under this Section 4.4.1 in respect thereof and free of any right on the part of any Non-Cornerstone FCV Holder. Anything in this Agreement to the contrary notwithstanding, except in connection with a Permitted Transfer, none of the rights granted pursuant to this Section 4.4.1 may be transferred to any other Person.

4.4.2 Right to Participate in Future Sales by Non-Cornerstone FCV Holders. If Cornerstone FCV accepts in writing the Preemptive Rights Offer with respect to all or any part of such Additional Securities offered to such Cornerstone FCV Notice Recipient, then the Company shall give an Offer Notice related to such Preemptive Rights Transaction to each Non-Cornerstone FCV Holder (each a “**Non- Cornerstone FCV Notice Recipient**” and collectively the “**Non-Cornerstone FCV Notice Recipients**”). The Offer Notice shall describe the proposed Preemptive Rights Transaction, identify the proposed purchaser, and contain a Preemptive Rights Offer to sell to each Non-Cornerstone FCV Notice Recipient who certifies (to the reasonable satisfaction of the Company) that such Non-Cornerstone FCV Notice Recipient is an Accredited Investor (an “**Accredited Offeree**”), at the same price and for the same consideration to be paid by the proposed purchaser, all or any part of such Accredited Offeree’s pro rata portion of the Additional Securities (which shall be based on the ratio that the Fully Diluted Common Stock then held by such Accredited Offeree bears to the amount of the then Fully Diluted Common Stock, excluding, for purposes of such calculation, any shares of Common Stock issuable upon exercise of any Common Stock Equivalents granted pursuant to any employee, officer or director benefit plan or arrangement). If any such Non-Cornerstone FCV Notice Recipient fails to accept in writing the Preemptive Rights Offer with respect to all or any part of such Additional Securities offered to such Non-Cornerstone FCV Notice Recipient by the fifteenth (15th) day (or such lesser time determined by the Board in its good faith discretion if the Company or such Subsidiary is in bankruptcy or default under any outstanding indebtedness or the financial condition of the Company or such Subsidiary is such that a bankruptcy or a default is reasonably expected to occur and, in each case, the Board determines that the issuance or sale of Additional Securities of the Company or such Subsidiary would cure (or would be reasonably likely to avoid) such bankruptcy or default) after its receipt of the Offer Notice, the Company may proceed with the proposed Preemptive Rights Transaction with respect to such Additional Securities as to which the Preemptive Rights Offer has not been accepted, free of any right on the part of any such Non-Cornerstone FCV Notice Recipient under this Section 4.4.2 in respect thereof. Anything in this Agreement to the contrary notwithstanding, except in connection with a Permitted Transfer, none of the rights granted pursuant to this Section 4.4.2 may be transferred to any other Person. If no Cornerstone FCV Holder accepts in writing the Preemptive Rights Offer with respect to all or any part of such Additional Securities offered to such Cornerstone FCV Notice Recipient, then (a) the Company is not required to provide an Offer Notice to any Non-Cornerstone FCV Holder, (b) no Non-Cornerstone FCV Holder will be entitled to participate in such Preemptive Rights Transaction and (c) the Company may proceed with the proposed Preemptive Rights Transaction with respect to such Additional Securities, free of any right on the part of any such Non-Cornerstone FCV Holder in respect thereof. For the avoidance of doubt, notwithstanding any other provision of this Agreement, any Non-Cornerstone FCV Holder who cannot or does not to certify in writing that he or it is an Accredited Investor with respect to the Preemptive Rights Offer shall not be eligible or entitled to participate in, and shall not purchase any Additional Securities under, such Preemptive Rights Offer.

4.4.3 Exceptions to Preemptive Rights. Section 4.4.1 and Section 4.4.2 shall not apply to (a) issuances or sales of Additional Securities of the Company upon exercise, conversion or exchange of any Common Stock Equivalent or other security which, when issued, was subject to or exempt from the preemptive rights provided under this Section 4.4, (b) Additional Securities of the Company distributed or set aside ratably to all holders of Securities of the Company on a per share equivalent basis, (c) issuances or sales of Additional Securities of the Company pursuant

to a registered underwritten public offering, pursuant to a merger of the Company or a Subsidiary into or with another entity or as consideration to a seller pursuant to an acquisition by the Company or a Subsidiary of the capital stock or assets of another business entity or business segment of any such entity, or (d) issuances or sales of Additional Securities of the Company to employees, officers, consultants, or directors of the Company or the Subsidiaries pursuant to employee benefit, incentive compensation, bonus or similar plans or arrangements of the Company or the Subsidiaries.

4.5 **Transfer and Exchange.** When Securities are presented to the Company with a request to register the Transfer of such Securities or to exchange such Securities for Securities of other authorized denominations, the Company shall register the Transfer or make the exchange as requested if the requirements of this Agreement for such transaction are met; provided, that, the Securities surrendered for Transfer or exchange shall be duly endorsed or accompanied by a written instrument of Transfer in form satisfactory to the Company, duly executed by the Holder thereof or its attorney in fact and duly authorized in writing. No service charge shall be made for any registration of Transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

4.6 **Replacement Securities.** If a mutilated Security is surrendered to the Company or if the Holder of a Security claims and submits an affidavit or other evidence, satisfactory to the Company, to the effect that the Security has been lost, destroyed or wrongfully taken, the Company shall issue a replacement Security if the Company's reasonable requirements are met. If required by the Company, such Holder (other than a Holder which is a bank, insurance company or similar institutional investor) must provide an indemnity bond, or other form of indemnity, sufficient in the judgment of the Company to protect the Company against any loss that may be suffered. The Company may charge such Holder for its reasonable out-of-pocket expenses in replacing a Security that has been mutilated, lost, destroyed, or wrongfully taken.

ARTICLE 5 LIMITATION ON TRANSFERS

5.1 Restrictions on Transfer.

5.1.1 **General Restrictions.** The Securities shall not be Transferred (a) with respect to Permitted Transfers, by any Holder except in compliance with the conditions specified in Sections 5.2 and 5.3, and (b) otherwise, by any Holder before satisfaction of (i) the conditions specified in Sections 5.1 through 5.4, and (ii) if applicable, Article 4; provided, that, any Securities Beneficially Owned by a Holder that is an Employee (other than a Member of the Cornerstone FCV) shall not be Transferred other than pursuant to a Permitted Transfer; provided further, that, no Non-Cornerstone FCV Holder shall Transfer any Securities to a Competitive Business or to any Person who does not qualify as an Accredited Investor. Any purported Transfer in violation of this Article 5 or, if applicable, Article 4 shall be void ab initio and of no force or effect. Other than Transfers (A) subject to Sections 2.3, or (B) described in clause (h) of the definition of "Permitted Transfers" in Section 1.1, each Holder will cause any proposed transferee of any Security or any interest therein held by it to agree in writing, in an instrument in form and substance reasonably satisfactory to the Company, to take and hold such Securities (x) subject to the provisions and upon conditions specified in this Agreement and (y) with respect to any Holder

who is a Seller Indemnitor under any Purchase Agreement, subject to the indemnity payment obligations of such Seller Indemnitor, as set forth in Section 7.5(b) of the applicable Purchase Agreement. Furthermore, to the extent a Holder (1) residing in a Community Property State marries, (2) who is a married individual moves from a state that is not a Community Property State into a Community Property State, or (3) Transfers Securities to any transferee who is an individual residing in a Community Property State, then, in the case of clause (1) and (2), such Holder and, in the case of clause (3), such transferee shall cause his or her spouse to execute a spousal consent in a form reasonably satisfactory to the Company.

5.1.2 Other Restrictions. Notwithstanding anything to the contrary contained herein, no Holder shall Transfer any Securities to any Person (a) to the extent such Transfer, or such proposed transferee's ownership of such Securities, would result in a violation or breach of, or otherwise conflict with (with or without notice or lapse of time or both), any applicable law, (b) to the extent such Person is not permitted under applicable law to hold Securities of the Company, (c) to the extent such Transfer, or such proposed transferee's ownership of Securities, would, or could reasonably be expected to, give rise to a right of termination or cancellation or a loss of a benefit under any provision of any Permit, and (d) unless the ownership of such Securities by such proposed transferee is first approved by, or consent is received from (to the extent such approval or consent is required), all applicable Governmental Authorities charged with the responsibility of regulating the business of the Company or any Subsidiary.

5.2 Restrictive Legends.

5.2.1 Securities Act Legend. Except as otherwise provided in Section 5.2.2, each Security held by a Holder, and each Security issued to any subsequent transferee of such Security, shall be stamped or otherwise imprinted with a legend in substantially the following form:

THE SECURITIES OF THIS COMPANY REPRESENTED BY THIS CERTIFICATE MUST BE ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE STATE SECURITIES LAWS OF ANY STATE. WITHOUT SUCH REGISTRATION, SUCH SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED AT ANY TIME WHATSOEVER, EXCEPT UPON DELIVERY TO THE COMPANY OF AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED FOR SUCH TRANSFER OR THE SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO THE COMPANY TO THE EFFECT THAT ANY SUCH TRANSFER WILL NOT BE IN VIOLATION OF THE SECURITIES ACT OF 1933 OR APPLICABLE STATE SECURITIES LAWS, OR ANY RULE OR REGULATION PROMULGATED THEREUNDER.

5.2.2 Termination of Certain Restrictions. The restrictions imposed by Section 5.2.1 shall terminate as to any Security (a) when and so long as such Security shall have been effectively registered under the Securities Act and disposed of pursuant thereto or disposed of pursuant to the provisions of Rule 144 thereof or permitted to be disposed of pursuant to Rule 144(k) or (b) when the Company shall have received an opinion of counsel reasonably satisfactory

to the Company (or supply such other evidence reasonably satisfactory to the Company) that such Security may be transferred without registration thereof under the Securities Act and that such legend may be removed. Whenever the restrictions imposed by Sections 5.2.1 shall terminate as to any Security, the Holder thereof shall be entitled to receive from the Company, at the Company's expense, a new Security not bearing the restrictive legend set forth in Section 5.2.1.

5.2.3 Other Legends. Except as otherwise permitted by the last sentence of Section 5.1, each Security issued to each Holder or to a transferee of a Holder which shall, pursuant hereto, be subject to the terms of this Agreement, shall include a legend in substantially the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE
SUBJECT TO AN OPTION TO PURCHASE, RESTRICTIONS ON TRANSFER,
VOTING AND OTHER TERMS AND CONDITIONS SET FORTH IN THE
STOCKHOLDERS' AGREEMENT, DATED AS OF OCTOBER 2, 2013, A
COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST TO THE
COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

5.3 Notice of Proposed Transfers. Prior to any Transfer or attempted Transfer of any Security, the Holder of such Security shall (a) give at least sixty (60) days' prior written notice (a "**Transfer Notice**") to Cornerstone FCV and the Company of such Holder's intention to effect such Transfer, describing the manner and circumstances of the proposed Transfer, and (b) if required by the Company, provide to the Company an opinion reasonably satisfactory to the Company from counsel who shall be reasonably satisfactory to the Company (or supply such other evidence reasonably satisfactory to the Company) that the proposed Transfer of such Security may be effected without registration under the Securities Act. Each Security issued upon such Transfer shall bear the restrictive legend set forth in Section 5.2.1, unless in the reasonable judgment of counsel for the Company such legend is not required in order to ensure compliance with the Securities Act.

5.4 Right of First Refusal.

5.4.1 Application. Other than with respect to Securities surrendered in connection with a cashless exercise of options to acquire Common Stock, if any Non-Cornerstone FCV Holder intends to accept any bona fide offer or offers to purchase or otherwise acquire, directly or indirectly, any or all of its Securities that if consummated would not be a Permitted Transfer (the "**Offered Securities**"), the Non-Cornerstone FCV Holder (the "**Transferring Holder**") shall give a Transfer Notice to the Cornerstone FCV of such Transferring Holder's intention to effect such Transfer, describing the purchase price per share and other material terms and conditions of the proposed Transfer, including the identity of the prospective transferee(s) of the Offered Securities (and if the proposed Transfer is to be wholly or partly for consideration other than cash, the Transfer Notice shall state the amount of the cash consideration, if any, and shall describe all non-cash consideration). The Transfer Notice shall also contain a true and complete copy of any and all available documents constituting the offer or proposed agreement to Transfer the Offered Securities. After receipt of the Transfer Notice, the Cornerstone FCV (or as provided in Section 5.4.3, its assignees) shall have the option for sixty (60) days (from the later to occur of (a) the date of receipt of the Transfer Notice or (b) the date of determination of the Fair Market Value

for any non-cash consideration included in the purchase price for the Offered Securities) to elect, by delivering a written notice (an “**Election Notice**”) of such election to such Transferring Holder, to (i) purchase all, but not less than all, of the Offered Securities upon the same terms and conditions set forth in the Transfer Notice (except that any part of the consideration set forth in the Transfer Notice which is not cash shall be payable in cash at the Fair Market Value thereof) or (ii) participate in the proposed Transfer in accordance with the terms set forth in Section 5.4.3.

If the Cornerstone FCV elects to purchase all of the Offered Securities and delivers an Election Notice within the applicable period, then the Transferring Holder shall deliver the Transfer Notice to each Non-Cornerstone FCV Holder, other than the Transferring Holder (each a “**Non-Transferring Holder**”). Each Non-Transferring Holder shall have the irrevocable and exclusive option to participate with the Cornerstone FCV to purchase that number, but not less than that number, of the Offered Securities equal to the product of the number of Offered Securities multiplied by a fraction (the “**Proportionate Share**”), the numerator of which shall be the number of outstanding shares of Common Stock owned by such Non-Transferring Holder and the denominator of which shall be the number of outstanding shares of Common Stock owned by all of the Holders (other than the Transferring Holder). Within ten (10) days after the Transferring Holder delivers the Transfer Notice to the Non-Transferring Holders, each Non-Transferring Holder who elects to purchase its full Proportionate Share (each an “**Acquiring Holder**”) shall deliver an Election Notice to the Transferring Holder and the Cornerstone FCV of its election to participate in the purchase of such Offered Securities. A Non-Transferring Holder shall not participate in a Transfer if such Non-Transferring Holder fails to timely deliver an Election Notice to the Transferring Holder. The amount of the Offered Securities that the Cornerstone FCV can purchase shall be reduced by the aggregate Proportionate Share of each Acquiring Holder who timely delivers an Election Notice to the Transferring Holder. The delivery of an Election Notice under this Section shall constitute an irrevocable commitment to purchase such Offered Securities.

If the Cornerstone FCV does not deliver an Election Notice, the Transferring Holder shall not consummate the proposed Transfer until the earlier to occur of the lapse of sixty (60) day period or the date on which the Cornerstone FCV (acting for itself or if applicable, its assignees) has notified such Transferring Holder in writing that it will not exercise its rights under this Section 5.4.1 (the “**Authorization Date**”). If the Cornerstone FCV (including its respective assignees) has not elected to purchase all of the Offered Securities or it has failed to make a timely election to participate in the proposed Transfer, such Transferring Holder may Transfer all, but not less than all, of the Offered Securities to the prospective transferee(s) thereof specified in the Transfer Notice, at a price and on terms no more favorable to such prospective transferee(s) than as specified in the Transfer Notice, during the 90-day period immediately following the Authorization Date; provided that, if required by the Company, the Transferring Holder shall provide to the Company an opinion reasonably satisfactory to the Company (or supply such other evidence reasonably satisfactory to the Company) that the proposed Transfer may be effected without registration under the Securities Act. If the Offered Securities are not so Transferred within such 90-day period, such Offered Securities must be reoffered to the Cornerstone FCV in accordance with the provisions of this Section 5.4.1 if such Transferring Holder still desires to Transfer the Offered Securities.

5.4.2 Closing. If the Cornerstone FCV (or its assignees) or any Acquiring Holder exercises the right to purchase the Offered Securities by timely delivery of an Election Notice,

unless otherwise agreed by the Transferring Holder and the Cornerstone FCV, the closing will take place at such time and place reasonably designated by Cornerstone FCV within the later of ninety (90) days after the date of the Election Notice or, if applicable, the fifth (5th) Business Day after the date that all Required Governmental Approvals have been obtained (and the parties shall use all commercially reasonable efforts to obtain such Required Governmental Approvals). At the closing, the Cornerstone FCV (or, if applicable, its assignees) and any Acquiring Holder, will pay the purchase price per share set forth in the Transfer Notice in cash (by wire transfer of immediately available funds or by certified or cashier's check), solely upon such Transferring Holder's delivery to the Cornerstone FCV (or, if applicable, its assignees) or any Acquiring Holders, of valid certificates or agreements evidencing all of the Offered Securities then being purchased pursuant to the Election Notice. Certificates or agreements representing the Offered Securities will be duly endorsed for Transfer to the Cornerstone FCV (or, if applicable, its assignees) or any Acquiring Holder. By delivery of such certificates or agreements to the Cornerstone FCV (or, if applicable, its assignees) or any Acquiring Holders, such Transferring Holder will be deemed to represent and warrant to the Cornerstone FCV (or, if applicable, its assignees) or any Acquiring Holders, that the transferred Offered Securities, are owned by such Transferring Holder free and clear of all Liens other than as provided in this Agreement. The Cornerstone FCV (or, if applicable, its assignees) or any Acquiring Holders and the Transferring Holder will promptly perform, whether before or after any such closing, such additional acts (including, without limitation, executing and delivering additional documents) as are reasonably required by any such party to effect more fully the transactions contemplated by this Section 5.4.2.

5.4.3 Assignment. The rights of the Cornerstone FCV under this Section 5.4 may be assigned or transferred in whole or in part by Cornerstone FCV, without any consent or other action on the part of any other party hereto, to the Company or any one or more members of the Cornerstone FCV.

5.5 Pledging of Interests to Lenders. For the avoidance of doubt, and notwithstanding anything to the contrary contained in this Agreement, the Company shall be permitted to pledge, hypothecate and/or mortgage any or all of its assets, including its equity interests in its Subsidiaries, to any lender(s) to the Company or to any Subsidiary of the Company (or any agent acting on such lenders' behalf), and any transfer of such assets or equity interests pursuant to any such lenders' (or agent's) exercise of remedies in connection with any such pledge, hypothecation or mortgage shall be permitted without further action or approval under this Agreement or of any Holder or Company (other than, in the case of Company, as set forth in the applicable security and related agreements) thereto. Such lender(s) (or agent) shall have the right without further approval of any Person (other than as set forth in its applicable security and related documents), and without becoming a member or stockholder of any Subsidiary, as the case may be, to exercise the equity voting rights of the Company in its Subsidiaries, and, upon the lender's exercise of such rights of the Company in its Subsidiaries, all rights of the Holders to designate members or observers to the board of directors or equivalent body of any such Subsidiary shall terminate. Without complying with any other requirements or procedures set forth in this Agreement or the applicable organizational documents of any Subsidiary, the lender(s) (or agent) or transferee of such lender(s) (or agent), as the case may be, shall have the right to become a member or stockholder of any such Subsidiary and shall succeed to all of the economic, management and voting rights and powers (including, without limitation, the rights to participate in the management of such Subsidiary, to replace, appoint, direct, and substitute any manager, director or officer of such Subsidiary, to share

profits and losses, to receive, cause and declare distributions (liquidating or otherwise), to amend any and all organizational documents and to receive allocations of income, gain, loss, deduction, credit or similar item) of such Subsidiary without further approval of the Company, any Holder, director or officer of the Company, and, subject to the terms of the applicable security and related agreements, the Company shall automatically cease to be a member or stockholder of such Subsidiary, as the case may be, and shall have no further rights or powers under the applicable organizational documents of such Subsidiary. No such pledge, hypothecation, mortgage, or transfer shall constitute an event of dissolution under any provision hereunder or otherwise. For the avoidance of doubt, such lender(s) (or agent) shall have the right to utilize any right of proxy and/or power of attorney granted to it (or them) in connection with any or all of the foregoing. The right of such lender(s) (or agent) to enforce and exercise their rights and remedies is acknowledged by each Holder and any such action taken in connection therewith in accordance with the applicable security and related agreements shall be valid and effective for all purposes under this Agreement and none of the rights of the Holders hereunder shall apply to or in any way restrict the Company's pledge, hypothecation or mortgage to such lender(s) (or agent) or any remedy exercise by such lender(s) (or agent) thereunder. The provisions of this Section 5.5 shall be binding upon and inure to the benefit of such lender(s) (or agent) or transferee of such lender(s) (or agent), as the case may be, the parties hereto, each of their respective successors and assigns and any future Holder and each of their respective successors and assigns.

ARTICLE 6 CALL OPTION

6.1 **Call Option.** If (i) an Employee ceases to be an Employee (whether with or without Cause, whether for any reason or no reason, or otherwise), including due to such Employee's death or Permanent Disability or such Employee's Retirement, resignation, or termination (whether voluntary or involuntary) or (ii) any Non-Cornerstone FCV Holder engages in Competitive Activities (a "**Competitive Holder**"), the Company (or as provided in Section 6.3, one or more Holders designated by the Board) shall have the right, but shall in no event be obligated, to require such Employee's Employee Group Holders or such Competitive Holder and its Line of Permitted Transferees to sell to the Company (or its designees) (the "**Call Option**") all of the Securities and Additional Securities held by such Persons (provided, that solely with respect to clause (i), Securities subject to the Call Option in accordance with clause (i) shall exclude Securities held by such Persons that were issued in exchange for any such Person's Rollover Shares and Additional Securities acquired by any such Person pursuant to Section 4.4.2 as a result of such Person's ownership of Rollover Shares). The Securities subject to the Call Option are referred to herein as the "**Call Securities**." The purchase price under the Call Option (the "**Call Price**") shall be a cash amount equal to (a) in the case of the Employee's termination for Cause or the Holder's becoming a Competitive Holder, the lower of (i) the price initially paid by such Employee or Competitive Holder for the Call Securities (as adjusted to reflect any stock splits, dividends, consolidations or similar transactions) or (ii) the Fair Market Value; and (b) in the case of an Employee's termination other than for Cause (including as a result of such Employee's death, Permanent Disability, or Retirement), the Fair Market Value.

6.2 **Notice and Closing.** The Company shall give notice in writing to the subject Employee or Competitive Holder, as applicable, (or its authorized representative, executor, conservator or personal representative) of its intention to purchase the Call Securities pursuant to

the Call Option within one hundred eighty (180) days after, as applicable, the date such Employee ceased to be an Employee or the date such Holder became a Competitive Holder (the “**Call Option Period**”). If no notice is given within the Call Option Period, the Call Option shall terminate. The closing of the purchase and sale pursuant to the Call Option shall take place at such time and place reasonably designated by the Company within the latest of (i) ninety (90) days after the end of the Call Option Period, (ii) five (5) Business Days after the date that the Call Price is determined or, if applicable, (iii) the fifth (5th) Business Day after the date that all Required Governmental Approvals have been obtained (and the parties shall use all commercially reasonable efforts to obtain such Required Governmental Approvals). At such closing, the Employee’s Employee Group Holders or the Competitive Holder and its Line of Permitted Transferees, as applicable, shall deliver to the Company (or, if applicable, its designee) the certificates or instruments evidencing the Call Securities, duly endorsed (or accompanied by duly executed stock powers or assignments) and otherwise in good form for delivery and free and clear of all Liens other than as provided for in this Agreement, and the Company (or, if applicable, its designee) shall pay the Call Price in cash (by wire transfer of immediately available funds or by certified or cashier’s check). To assure the enforceability of the rights under this Section 6.2, each certificate or instrument representing the Securities held by such a Holder shall bear a conspicuous legend in substantially the form set forth in Section 5.2.3. Any Holder with respect to which the Call Option is exercised hereunder shall pay all costs and expenses (including reasonable attorneys’ fees) of the Company or its designee(s) incurred in connection with the enforcement of this Article 6.

6.3 **Assignment.** The rights of the Company under Section 6.1 may be assigned or transferred in whole or in part by the Company, without any consent or other action on the part of any party hereto, to any Holder or to any one or more members of the Cornerstone FCV or any Affiliate of any Holder.

ARTICLE 7 TERMINATION

7.1 **Termination of Agreement.** The provisions of this Agreement shall terminate upon the mutual agreement of the parties hereto; provided, that, in the event of the consummation of a Qualified IPO, then Article 2, Sections 4.1, 4.2 and 4.4, Article 5 (other than Sections 5.2.1 and 5.3) and Article 6 of this Agreement shall terminate forthwith.

7.2 **Termination of Rights.** The rights of a party under this Agreement shall terminate when such party ceases to have any Beneficially Owned Securities.

ARTICLE 8 MISCELLANEOUS

8.1 **Notices.** Any notices or other communications required or permitted hereunder shall be in writing, and shall be sufficiently given if delivered in person, by facsimile or similar means of communication, sent by first class mail (registered or certified mail, postage prepaid, return receipt requested) or delivered by courier service, addressed as follows (or at such other address as may be substituted by notice given as herein provided):

If to the Company:

PB Materials Holdings, Inc.
4044 Penbrook Street
Odessa, TX 79762
Attention: Phil McWard
Email: pmcward@pb-materials.com

with copies to (which will not constitute notice):

BPGC Management LP
1177 Avenue of the Americas
Floor 5
New York, NY 10036
Attention: Stephen Toy
Nick Peterson
Email: stoy@bpgc.com
npeterson@bpgc.com

If to Cornerstone FCV:

c/o BPGC Management LP
1177 Avenue of the Americas
Floor 5
New York, NY 10036
Attention: Stephen Toy
Nick Peterson
Email: stoy@bpgc.com
npeterson@bpgc.com

with copies to (which will not constitute notice):

Kirkland & Ellis LLP
609 Main Street
Houston, TX 77002
Attention: William J. Benitez, P.C.
Email: william.benitez@kirkland.com;

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
Attention: John Senior, P.C.
Email: john.senior@kirkland.com

Kirkland & Ellis LLP
Three Brickell City Centre
98 S.E. 7th Street
Miami, FL 33131
Attention: Alex Roggio

Email: alex.roggio@kirland.com

If to LSV:

c/o LGK Advisors III, L.P.
540 Madison Avenue, 33rd Floor
New York, NY 10022
Attention: Jeff Fang
Aaron Shapiro
Email: jeff.fang@lsvfinancial.com;
aaron.shapiro@lsvfinancial.com

with copies to (which will not constitute notice):

c/o Ropes & Gray LLP
Prudential Tower, 800 Boylston Street
Boston, MA 02199
Attention: Adam Dobson
Robert Schmidt
Email: adam.dobson@ropesgray.com;
robert.schmidt@ropesgray.com

If to any other Holder, at its address listed on the signature pages hereto with a copy (which shall not constitute notice) to such Holder's legal counsel.

Any notice or communication hereunder shall be deemed to have been given or made (a) as of the date so delivered if personally delivered, (b) when receipt is electronically confirmed, if sent via facsimile or similar device, (c) five (5) calendar days after mailing if sent by registered or certified mail and (d) as of the date so delivered if delivered by courier service; provided, that, a notice of change of address shall not be deemed to have been given until actually received by the addressee.

Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. Except as expressly provided in the immediately preceding paragraph, if a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

8.2 **Information Rights.**

8.2.1 The Company shall furnish to (i) the Cornerstone FCV, (ii) the Wallach Holders and (iii) the Crockett/Highland Holders, in each case, for so long as the applicable group of Holders collectively hold forty percent (40%) or more of the initial Securities held by such Holders as of the date hereof:

(a) Annual Financial Reports. As soon as available, but in no event later than one hundred and twenty (120) days after the end of each fiscal year, audited consolidated

financial statements of the Company and its Subsidiaries, for the immediately preceding fiscal year, including a consolidated balance sheet as of the end of such fiscal year, a consolidated statement of income and a consolidated statement of cash flows for such year, all prepared in accordance with U.S. generally accepted accounting principles (“**GAAP**”) consistently applied (with the exception of footnotes).

(b) **Quarterly Financial Reports.** As soon as available, but in no event later than seventy-five (75) days after the end of each fiscal quarter starting with the quarter ended March 31, 2014, unaudited consolidated financial statements of the Company and its Subsidiaries, including a consolidated balance sheet as of the end of such fiscal quarter, a consolidated statement of income and a consolidated statement of cash flows for such quarter and the current fiscal year to date, such financial statements to be prepared in accordance with GAAP consistently applied (with the exception of footnotes).

8.3 **Legal Holidays.** A “Legal Holiday” used with respect to a particular place of payment is a Saturday, a Sunday or a day on which banking institutions at such place are not required to be open. If a payment date is a Legal Holiday at such place, payment may be made at such place on the next succeeding day that is not a Legal Holiday, and no interest on the amount of such payment shall accrue for the intervening period.

8.4 **Governing Law.** THIS AGREEMENT AND THE RIGHTS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, INTERPRETED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS (EXCLUSIVE OF THE CHOICE OF LAW PROVISIONS THEREOF) OF THE STATE OF DELAWARE AS TO ALL MATTERS, INCLUDING, BUT NOT LIMITED TO, MATTERS OF VALIDITY, CONSTRUCTION, EFFECT, PERFORMANCE AND REMEDIES.

8.5 **Exclusive Jurisdiction.** Any action between the parties hereto (a) to enforce any of the terms of this Agreement, or (b) in any other way pertaining to this Agreement, shall be brought only in a State or Federal court sitting in the State of Delaware and not in any other State or Federal court.

8.6 **Successors and Assigns.** Whether or not an express assignment has been made pursuant to the provisions of this Agreement, provisions of this Agreement that are for the Holders’ benefit as the holders of any Securities are also for the benefit of, and enforceable by, all subsequent holders of Securities, except as otherwise expressly provided herein. This Agreement shall be binding upon the Company, each Holder, and their respective successors and assigns.

8.7 **Counterparts; Facsimile Signatures.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original Agreement, and all of which shall constitute one Stockholders’ Agreement between each of the parties hereto, notwithstanding that, all of the parties are not signatories to the original or the same counterpart. Each party hereto hereby acknowledges the effectiveness of, and agrees to accept, facsimile or portable document format (PDF) copies of signatures of any other party hereto for purposes of executing this Agreement; provided, that, any party executing this Agreement by facsimile or portable document format copies (PDF) of signatures shall provide any other party with the number of original

signature pages as such other party may specify as soon as is practicable following a request for same by the other party.

8.8 **Severability.** In case any provision in this Agreement shall be held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and the remaining provisions shall not in any way be affected or impaired thereby.

8.9 **No Waivers; Amendments.**

8.9.1 In case any one or more of the covenants or agreements set forth in this Agreement shall have been breached by any party hereto, the party or parties entitled to the benefit of such covenants or agreements may proceed to protect and enforce their rights either by suit in equity or by action at law, including an action for damages as a result of any such breach or an action for specific performance of any such covenant or agreement contained in this Agreement or a temporary or permanent injunction (without posting a bond or other security), in any case without showing any actual damage. No failure or delay on the part of the Company or any Holder in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies provided for herein are cumulative and are not exclusive of any remedies that may be available to the Company or any Holder at law or in equity or otherwise.

8.9.2 Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by the Company and the Required Holders; provided, that, no such amendment or waiver shall amend or waive this Agreement in a manner materially adverse to a group of Holders if any such action affects such group of Holders adversely and disproportionately from the other Holders unless signed by the Cornerstone FCV and Holders of a majority of the Securities held by such disproportionately affected group of Holders; provided, that the sharing of existing rights in this Agreement among, or the granting of rights similar to those in this Agreement to, existing or new Holders without the taking away of existing rights from any group of Holders shall not be deemed to be adverse to, nor to have an adverse and disproportionate effect on, such group of Holders. The addition of any Person as a party to this Agreement by written acknowledgment of their joinder hereto shall not require the approval or consent of any Holder and such person shall be deemed a Holder for all purposes thereafter.

8.10 **Transfer Taxes.** Each Holder will pay all respective sales, transfer, and documentary taxes, if any, payable in connection with the conveyances, assignments, transfers, and deliveries to be made by it pursuant to this Agreement.

8.11 **Entire Agreement; Third Parties.** This Agreement contains the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings oral and written with respect thereto. Other than as provided in Section 8.6, it is understood and agreed among the parties hereto that this Agreement and the covenants made herein are made expressly and solely for the benefit of the other parties hereto (or their respective successors or permitted assigns), and no third party beneficiary rights are granted by the parties pursuant to this Agreement.

8.12 **Confidentiality.** No Holder shall, in any manner, either directly or indirectly, divulge, disclose, or communicate to any Person any non-public information, data and materials relating to the Company or any Subsidiaries, and their respective operations, businesses and activities, (the “**Information**”), provided, that, the foregoing confidentiality obligation shall not apply to any Information that (a) has previously become available to the public (other than as a result of wrongful disclosure by the Holder), or (b) becomes available to the Holder on a non-confidential basis from a source other than the Company or any Subsidiary, so long as such source is not known by the Holder (after reasonable inquiry) to be subject to another confidentiality agreement with the Company or any Subsidiary. The foregoing provisions of this Section 8.12 shall not prohibit the disclosure of Information by (i) any Holder to the extent required by applicable law (including, without limitation, as may be required pursuant to any investigation conducted by, or proceeding of, any Governmental Authority, court or other quasi-judicial or regulatory body), (ii) any Holder with the written consent of the Company which consent will not be unreasonably withheld or delayed, or (iii) any Holder who is an officer or employee of the Company or any Subsidiary to other officers, employees or advisors of the Company or any Subsidiary as required in connection with the performance of the Holders’ duties as such an officer or employee, (iv) any Holder to his, her or its personal lawyers, accountants or investment advisors who need to know certain Information for tax, legal or investment advice and are informed of the confidential nature of such Information, or (v) Cornerstone FCV or its Affiliates. Any Holder receiving such a demand for disclosure shall give written notice thereof to the Company as promptly as is reasonably practicable after such Holder learns of any such demand.

8.13 **Enforcement.** The Holders, on the one hand, and the Company, on the other hand, acknowledge and agree that irreparable injury to each party would occur in the event any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and that such injury would not be adequately compensable in damages. It is accordingly agreed that, in addition to any other remedies which may be available at law or in equity, each party hereto (the “**Moving Party**”) shall be entitled to specific enforcement of, and injunctive relief to prevent any violation of, the terms of this Agreement, and the other parties hereto will not take action, directly or indirectly, in opposition to the Moving Party seeking such relief on the grounds that any other remedy or relief is available at law or in equity. The parties further agree that no bond shall be required as a condition to the granting of any such relief.

8.14 **Non-Competition; Non-Solicitation.** Each Non-Cornerstone FCV Holder acknowledges that it has received good and valuable consideration for the restrictive covenants set forth herein, including, the right to acquire and own Securities and Additional Securities of the Company, the employment by the Company or its Subsidiaries and the related compensation and benefits, if applicable, and other good and valuable consideration, the sufficiency of which is hereby acknowledged. Accordingly, each Non-Cornerstone FCV Holder agrees and covenants to the Company and its Subsidiaries that, for the entire time such Non-Cornerstone FCV Holder owns any Securities, and for the two (2) year period immediately following the date on which such Non-Cornerstone FCV Holder ceases to own any Securities (such period, the “**Restricted Period**”), such Non-Cornerstone FCV Holder shall fully comply with the provisions set forth in Schedule 2. The restrictions contained in this Section 8.14 are in addition to any Company policy or Services Agreement, severance agreement or similar agreement to which such Non-Cornerstone FCV Holder is subject.

8.15 **WAIVER OF JURY TRIAL.** THE HOLDERS, ON THE ONE HAND, AND THE COMPANY, ON THE OTHER HAND, AGREE THAT NEITHER PARTY SHALL SEEK OR BE ENTITLED TO A JURY TRIAL IN ANY DISPUTE ARISING FROM THIS AGREEMENT. THE PARTIES AGREE TO WAIVE THEIR RIGHTS THEY WOULD OTHERWISE HAVE TO A JURY TRIAL.

8.16 **Non-Survival of Original Agreement.** For the avoidance of doubt, no provisions, rights or obligations under the Original Agreement have survived its termination. Upon becoming a party to this Agreement, a holder of Securities shall enjoy the rights and be subject to the obligations with respect to its Securities. Any holder of Securities which does not become party to this Agreement shall enjoy no rights under this Agreement or the Original Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of
the date first above written.

COMPANY:

PB MATERIALS HOLDINGS, INC.:

By: 

Name: Stephen Toy

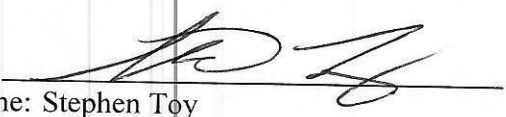
Title: Secretary

CORNERSTONE FCV

CORNERSTONE FCV, LP:

By: Cornerstone Investment GP, LP
Its: General Partner

By: BPGC Management, L.P.
Its: General Partner

By: 
Name: Stephen Toy
Title: Manager

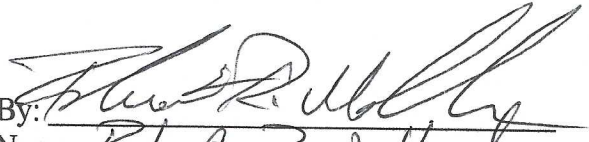
IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first
above written.

LGK ADVISORS III, L.P.

By:

A handwritten signature in black ink, appearing to read "David J. Lee", is written over a horizontal line.

**BRYCE WILLIAM WALLACH
SEPARATE PROPERTY TRUST**

By: 
Name: Robert R. Wallach
Title: Trustee

Address: 3801 110th St.
Lubbock Tx.
79423

Telephone: 575-318-6143

Facsimile: _____

**ROBERT TYLER WALLACH
SEPARATE PROPERTY TRUST**

By: R. T. Wallach
Name: Robert T. Wallach
Title: Trustee

Address: 7419 Woodrow Rd.
Wolfforth TX
79382

Telephone: 575-318-1547

Facsimile: _____

**SARA ELIZABETH WALLACH
SEPARATE PROPERTY TRUST**

By: 
Name: Robert R. Wallach
Title: Trustee

Address: 3901 110th St.
Lubbock, Tx.
79423

Telephone: 575-318-6143

Facsimile: _____

HOLDER

By: David L. Vickers Sr
Name: David L. Vickers Sr.

Address: 46360 Monte Sereno Dr
Indian Wells CA,
92210

Telephone: 760-409-8240

Facsimile: N/A

HOLDER

By: Dan Arnold

Name: Dan Arnold

Address: 135 Pine Ridge Road #174

CAPITAN New Mexico

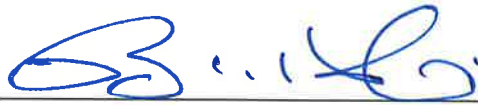
88316

Telephone: 432-312-4656

Facsimile: dan.hcci@outlook.com

HOLDER

O'Ryan Production and Exploration, LTD.

By: 

Name: Ryan C. Hoerauf

Its: Manager

Address: 8180 Lakeview Center

Suite 300

Odessa TX 79765

Telephone: 432-553-1099

Facsimile: 432-563-1593

Ryan@Oryanoilandgas.com

SCHEDULE 1

1.1 **Demand Registration**

1.1.1 **Request for Registration.**

(a) Cornerstone FCV may at any time and from time to time request the Company, in writing (a “**Demand Request**”), to effect the registration under the Securities Act of all or part of the Registrable Shares held by members of the Cornerstone FCV, the Wallach Holders and the Crockett/Highland Holders (a “**Demand Registration**”). In addition, if the managing underwriters of the Demand Registration recommend or require that the proposed Demand Registration also include Securities to be issued by the Company and if Cornerstone FCV consents to the Company participation, then the Company shall participate in the proposed Demand Registration to the extent so recommended or required.

(b) Each Demand Request shall specify the number of Registrable Shares proposed to be sold. Subject to Clause 1.1.6, the Company shall file the Demand Registration within ninety (90) days after receiving a Demand Request (the “**Required Filing Date**”) and shall use all commercially reasonable efforts to cause the same to be declared effective by the SEC as promptly as practicable after such filing; provided, that the Company need effect only three Demand Registrations; provided, further, that if any Registrable Shares requested to be registered pursuant to a Demand Request made under paragraph (a) of this Clause 1.1.1 are excluded from the applicable Demand Registration pursuant to Clause 1.1.4 below, then Cornerstone FCV shall have the right, with respect to each such exclusion, to request one additional Demand Registration under such paragraph (a).

1.1.2 **Effective Registration and Expenses.** A registration will not count as a Demand Registration until it has become effective (unless the Requesting Holders withdraw all their Registrable Shares and the Company has performed its obligations hereunder in all material respects, in which case such demand will count as a Demand Registration unless the Requesting Holders pay all Registration Expenses, as hereinafter defined, in connection with such withdrawn registration; provided, that, the Requesting Holders shall not be required to pay any such Registration Expenses in order to preserve the demand if the primary reason for withdrawing such Demand Registration is as a result of a material adverse change in the business, financial condition, operations or prospects of the Company); provided, that, if, after it has become effective, an offering of Registrable Shares pursuant to a registration is interfered with by any stop order, injunction, or other order or requirement of the SEC or other Governmental Authority or court, such registration will be deemed not to have been effected and will not count as a Demand Registration.

1.1.3 **Selection of Underwriters.** If the Requesting Holders so elect, the offering of Registrable Shares pursuant to a Demand Registration shall be in the form of a “firm commitment” underwritten offering. The Requesting Holders shall select the investment banking firm or firms to manage an underwritten offering under this Clause 1.1, subject to approval by the Company which shall not be unreasonably withheld.

1.1.4 Priority on Demand Registrations. No securities to be sold for the account of any Person (including the Company) other than a Requesting Holder shall be included in a Demand Registration unless the managing underwriter or underwriters shall advise the Company or the Requesting Holders in writing that the inclusion of such securities will not adversely affect the price or success of the offering (a “**Material Adverse Effect**”). Furthermore, in the event the managing underwriter or underwriters shall advise the Company or the Requesting Holders that even after exclusion of all securities of other Persons pursuant to the immediately preceding sentence, the amount of Registrable Shares proposed to be included in such Demand Registration by Requesting Holders is sufficiently large to cause a Material Adverse Effect, the Registrable Shares of the Requesting Holders to be included in such Demand Registration shall equal the number of shares which the Company is so advised by the managing underwriter or underwriters can be sold in such offering without a Material Adverse Effect and such shares shall be allocated pro rata among the Requesting Holders on the basis of the number of Registrable Shares requested to be included in such registration by each such Requesting Holder.

1.1.5 Rights of Nonrequesting Holders. Upon receipt of any Demand Request, the Company shall promptly (but in any event within ten (10) days) give written notice of such proposed Demand Registration to all other members of the Cornerstone FCV, to the Wallach Holder and to the Crockett/Highland Holders, who shall have the right, exercisable by written notice to the Company within twenty (20) days of their receipt of the Company’s notice, to elect to include in such Demand Registration such portion of their Registrable Shares as they may request. All Holders making a Demand Request under Clause 1.1.1 and all Holders requesting to have their Registrable Shares included in such Demand Registration in accordance with the preceding sentence shall be deemed to be “Requesting Holders” for purposes of this Clause 1.1. A Requesting Holder’s inclusion of Registrable Shares in a Demand Registration pursuant to this Clause 1.1.5 shall count as a Demand Registration as to such Requesting Holder.

1.1.6 Deferral of Filing. The Company may defer the filing (but not the preparation) of a registration statement required by Clause 1.1 or Clause 1.3 until a date not later than one hundred twenty (120) days after the Required Filing Date or Required S-3 Filing Date (or, if longer, one hundred twenty (120) days after the effective date of the registration statement contemplated by clause (b) below) if (a) at the time the Company receives the Demand Request or S-3 Request, the Company or any of its Subsidiaries are engaged in confidential negotiations or other confidential business activities, disclosure of which would be required in such registration statement (but would not be required if such registration statement were not filed), and the Board of Directors of the Company determines in good faith that such disclosure would be materially detrimental to the Company and its stockholders, or (b) prior to receiving the Demand Request or S-3 Request, the Board of Directors had determined to effect a registered underwritten public offering of the Company’s securities for the Company’s account and the Company had taken substantial steps (including, but not limited to, selecting a managing underwriter for such offering) and is proceeding with reasonable diligence to effect such offering. A deferral of the filing of a registration statement pursuant to this Clause 1.1.6 shall be lifted, and the requested registration statement shall be filed forthwith, if, in the case of a deferral pursuant to clause (a) of the preceding sentence, the negotiations or other activities are disclosed or terminated, or, in the case of a deferral pursuant to clause (b) of the preceding sentence, the proposed registration statement for the Company’s account is abandoned. In order to defer the filing of a registration statement pursuant to this Clause 1.1.6, the Company shall promptly (but in any event within ten (10) days), upon

determining to seek such deferral, deliver to each Requesting Holder (or requesting Holders under Clause 1.3) a certified copy of the board resolution of the Company resolving to defer such filing pursuant to this Clause 1.1.6 and a general statement of the reason for such deferral and an approximation of the anticipated delay. Within twenty (20) days after receiving such certificate, the Holders of a majority of the Registrable Shares held by the Requesting Holders and for which registration was previously requested may withdraw such Demand Request by giving notice to the Company; if withdrawn, the Demand Request shall be deemed not to have been made for all purposes of this Agreement. The Company may exercise its rights pursuant to this Clause 1.1.6 no more than twice in the aggregate and no more than once in any twelve (12) month period.

1.2 **Piggyback Registrations.**

1.2.1 **Right to Piggyback.** Each time the Company proposes to register any of its equity securities (other than pursuant to an Excluded Registration) under the Securities Act for sale to the public (whether for the account of the Company or the account of any security holder of the Company) and the form of registration statement to be used permits the registration of Registrable Shares, the Company shall give prompt written notice to each Holder of Registrable Shares (which notice shall be given not less than thirty (30) days prior to the effective date of the Company's registration statement), which notice shall offer each such Holder the opportunity to include any or all of its or his Registrable Shares in such registration statement or, at the Company's option, in a separate registration statement filed concurrently therewith, subject to the limitations contained in Clause 1.2.2 hereof. Each Holder who desires to have its or his Registrable Shares included in such registration statement shall so advise the Company in writing (stating the number of shares desired to be registered) within twenty (20) days after the date of such notice from the Company. Any Holder shall have the right to withdraw such Holder's request for inclusion of such Holder's Registrable Shares in any registration statement pursuant to this Clause 1.2.1 by giving written notice to the Company of such withdrawal. Subject to Clause 1.2.2 below, the Company shall include in such registration statement all such Registrable Shares so requested to be included therein; provided, that, the Company may at any time withdraw or cease proceeding with any such registration if it shall at the same time withdraw or cease proceeding with the registration of all other equity securities originally proposed to be registered.

1.2.2 **Priority on Registrations.** If the Registrable Shares requested to be included in the registration statement by any Holder differ from the type of securities proposed to be registered by the Company and the managing underwriter advises the Company that due to such differences the inclusion of such Registrable Shares would cause a Material Adverse Effect, then (a) the number of such Holder's or Holders' Registrable Shares to be included in the registration statement shall be reduced to an amount which, in the reasonable judgment of the managing underwriter, would eliminate such Material Adverse Effect or (b) if no such reduction would, in the reasonable judgment of the managing underwriter, eliminate such Material Adverse Effect, then the Company shall have the right to exclude all such Registrable Shares from such registration statement; provided, that, no other securities of such type are included and offered for the account of any other Person in such registration statement. Any partial reduction in number of Registrable Shares to be included in the registration statement pursuant to clause (a) of the immediately preceding sentence shall be effected pro rata based on the ratio which such Holder's requested shares bears to the total number of shares requested to be included in such registration statement by all Persons who have requested (pursuant to contractual registration rights) that their shares be

included in such registration statement. If the Registrable Shares requested to be included in the registration statement are of the same type as the securities being registered by the Company and the managing underwriter advises the Company in writing that the inclusion of such Registrable Shares would cause a Material Adverse Effect then the number of Registrable Shares to be included in the registration statement shall be reduced by an amount which, in the reasonable judgment of the managing underwriter, will eliminate such Material Adverse Effect, and the Company will be obligated to include in such registration statement, as to each Requesting Holder, only that portion of the shares such Holder has requested be registered equal to the ratio which such Holder's requested shares bears to the total number of shares requested to be included in such registration statement by all Persons who have requested (pursuant to contractual registration rights) that their shares be included in such registration statement. If as a result of the provisions of this Clause 1.2.2 any Holder shall not be entitled to include all Registrable Securities in a registration that such Holder has requested to be so included, such Holder may withdraw such Holder's request to include Registrable Shares in such registration statement by giving written notice to the Company of such withdrawal at any time prior to the effective date of such registration statement. No Person may participate in any registration statement hereunder unless such Person (i) agrees to sell such Person's Registrable Shares on the basis provided in any underwriting arrangements approved by the Company and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements, and other documents, each in customary form, reasonably required under the terms of such underwriting arrangements; provided, that, no such Person shall be required to make any representations or warranties in connection with any such registration other than representations and warranties as to (A) such Person's ownership of his or its Registrable Shares to be sold or transferred free and clear of all Liens, (B) such Person's power and authority to effect such Transfer, and (C) such matters pertaining to such Person's compliance with securities laws and other applicable laws and governmental rules and regulations, if any, as may be reasonably requested; provided further, that that the obligation of such Person to indemnify pursuant to any such underwriting arrangements shall be several, not joint and several, among such Persons selling Registrable Shares, and the liability of each such Person will be in proportion to, and such liability will be limited to, the net amount received by such Person from the sale of his or its Registrable Shares pursuant to such registration.

1.3 Registration on Form S-3.

1.3.1 Request for Registration.

(a) Any Holder or Holders who are members of the Cornerstone FCV may request in writing (the "S-3 Request") that the Company file a registration statement on Form S-3 or any successor thereto for a public offering of all or any portion of the shares of Registrable Shares held by such Requesting Holder or Holders (an "S-3 Registration"); provided, that, the Company shall not be obligated to effect any such registration if the Company is not then a registrant entitled to use Form S-3 or any successor thereto to register such shares for secondary sales. Each S-3 Request shall specify the number of Registrable Shares proposed to be sold and the intended method of disposition of the Registrable Shares proposed to be sold thereunder; provided, that, in no event may the method of disposition for a registration statement pursuant to this Clause 1.3 be an underwritten public offering. There shall be no limitation on the number of S-3 Registrations which may be requested and obtained by under this Clause 1.3. A registration under this Clause 1.3 shall not constitute a Demand Registration.

(b) If the requirements in Clause 1.3.1(a) are satisfied, then, subject to Clause 1.1.6, the Company shall file the requested registration statement within ninety (90) days after receiving an S-3 Request (the “Required S-3 Filing Date”) and shall use all commercially reasonable efforts to cause the same to be declared effective by the SEC as promptly as practicable after such filing. Subject to the provisions of Clause 1.3.1(a), the Company shall be required to maintain the effectiveness of such S-3 Registration for as long as there are Registrable Shares registered thereunder.

1.3.2 Rights of Nonrequesting Holders. Upon receipt of any S-3 Request, the Company shall promptly (but in any event within ten (10) days) give written notice of such proposed S-3 Registration to all other Holders, who shall have the right, exercisable by written notice to the Company within twenty (20) days of their receipt of the Company’s notice, to elect to include in such S-3 Registration such portion of their Registrable Shares as they may request.

1.4 **Holdback Agreement.** Unless the managing underwriter otherwise agrees, each of the Company and the Holders agrees (and the Company agrees, in connection with any underwritten registration, to use its reasonable efforts to cause its Affiliates to agree) not to effect any public sale or private offer or distribution of any Securities during the ten (10) Business Days prior to the effectiveness under the Securities Act of any underwritten registration and during such time period after the effectiveness under the Securities Act of any underwritten registration (not to exceed one hundred eighty (180) days) (except, if applicable, as part of such underwritten registration) as the Company and the managing underwriter may agree; provided, that, no Non-Cornerstone FCV Holders shall have a lock-up period longer than the shortest lock-up period required of any executive officer, director or Cornerstone FCV Holder in connection with such registration. To evidence the Holders’ obligations under this Clause 1.4, each Holder agrees to execute and deliver to the Company and the underwriters in an underwriting offering to which Clause 1.4 applies, such lock-up agreements as requested by the Company or the managing underwriter, in customary form and substance reasonably acceptable to the Company and consistent with this Clause 1.4.

1.5 **Registration Procedures.** Whenever any Holder has requested that any Registrable Shares be registered pursuant to this Agreement, the Company will use its commercially reasonable efforts to effect the registration and the sale of such Registrable Shares in accordance with the intended method of disposition thereof, and pursuant thereto the Company will as expeditiously as possible (subject to the provisions of this Schedule 1):

(i) prepare and file with the SEC a registration statement on any appropriate form under the Securities Act with respect to such Registrable Shares and use its commercially reasonable efforts to cause such registration statement to become effective;

(ii) prepare and file with the SEC such amendments, post-effective amendments, and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not less than one hundred eighty (180) days (or such lesser period as is necessary for the underwriters in an underwritten offering to sell unsold allotments) and comply with the provisions of the Securities Act with respect to the disposition of all

securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

(iii) furnish to each seller of Registrable Shares and the underwriters of the securities being registered such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus), any documents incorporated by reference therein and such other documents as such seller or underwriters may reasonably request in order to facilitate the disposition of the Registrable Shares owned by such seller or the sale of such securities by such underwriters (it being understood that, subject to Clause 1.6 and the requirements of the Securities Act and applicable state securities laws, the Company consents to the use of the prospectus and any amendment or supplement thereto by each seller and the underwriters in connection with the offering and sale of the Registrable Shares covered by the registration statement of which such prospectus, amendment or supplement is a part);

(iv) use its commercially reasonable efforts to register or qualify such Registrable Shares under such other securities or blue sky laws of such jurisdictions as the managing underwriter reasonably requests (or, in the event the registration statement does not relate to an underwritten offering, as the holders of a majority of such Registrable Shares may reasonably request); use its commercially reasonable efforts to keep each such registration or qualification (or exemption therefrom) effective during the period in which such registration statement is required to be kept effective; and do any and all other acts and things which may be reasonably necessary or advisable to enable each seller to consummate the disposition of the Registrable Shares owned by such seller in such jurisdictions (provided, that, the Company will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph or (B) consent to general service of process in any such jurisdiction);

(v) promptly notify each seller and each underwriter and (if requested by any such Person) confirm such notice in writing (A) when a prospectus or any prospectus supplement or post-effective amendment has been filed and, with respect to a registration statement or any post-effective amendment, when the same has become effective, (B) of the issuance by any state securities or other regulatory authority of any order suspending the qualification or exemption from qualification of any of the Registrable Shares under state securities or “blue sky” laws or the initiation of any proceedings for that purpose, and (C) of the happening of any event which makes any statement made in a registration statement or related prospectus untrue or which requires the making of any changes in such registration statement, prospectus or documents so that they will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and, as promptly as practicable thereafter, prepare and file with the SEC and furnish a supplement or amendment to such prospectus so that, as thereafter deliverable to the purchasers of such Registrable Shares, such prospectus will not contain any untrue statement of a material fact or omit a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(vi) make generally available to the Company's security holders an earning statement satisfying the provisions of Section 11(a) of the Securities Act no later than fifteen (15) months after the end of the Company's first fiscal quarter commencing after the effective date of a registration statement, which earning statement shall cover the twelve (12) month period commencing the first day of such fiscal quarter, and which requirement will be deemed to be satisfied if the Company timely files complete and accurate information on Forms 10-Q, 10-K and 8-K under the Exchange Act and otherwise complies with Rule 158 under the Securities Act;

(vii) if requested by the managing underwriter or any seller promptly incorporate in a prospectus supplement or post-effective amendment such information as the managing underwriter or any seller reasonably requests in writing to be included therein, including, without limitation, with respect to the Registrable Shares being sold by such seller, the purchase price being paid therefore by the underwriters and with respect to any other terms of the underwritten offering of the Registrable Shares to be sold in such offering, and promptly make all required filings of such prospectus supplement or post-effective amendment; provided, that, the Company shall have no obligation to include any such information which it reasonably believes to be materially false, incomplete or misleading or which would make other statements in such prospectus or registration statement materially false, incomplete or misleading;

(viii) as promptly as practicable after filing with the SEC of any document that is incorporated by reference into a registration statement (in the form in which it was incorporated), notify each seller that such document is available on the SEC's website;

(ix) cooperate with the sellers and the managing underwriter to facilitate the timely preparation and delivery of certificates (which shall not bear any restrictive legends unless required under applicable law) representing securities sold under the registration statement, and enable such securities to be in such denominations and registered in such names as the managing underwriter or such sellers may request and keep available and make available to the Company's transfer agent prior to the effectiveness of such registration statement a supply of such certificates;

(x) promptly make available for inspection by any seller, any underwriter participating in any disposition pursuant to any registration statement, and any attorney, accountant or other agent or representative retained by any such seller or underwriter (collectively, the "Inspectors"), all financial and other records, pertinent corporate documents and properties of the Company (collectively, the "Records"), as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information requested by any such Inspector in connection with such registration statement; provided, that, unless the disclosure of such Records is necessary to avoid or correct a misstatement or omission in the registration statement or the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction, the Company shall not be required to provide any information under this subparagraph (x) if (A) the Company believes, after consultation with counsel for the Company, that to do so would cause the

Company to forfeit an attorney-client privilege that was applicable to such information or (B) if either (1) the Company has requested and been granted from the SEC confidential treatment of such information contained in any filing with the SEC or documents provided supplementally or otherwise or (2) the Company reasonably determines in good faith that such Records are confidential and so notifies the Inspectors in writing unless prior to furnishing any such information with respect to (A) or (B) or such Holder of Registrable Securities requesting such information agrees to enter into a confidentiality agreement in customary form and subject to customary exceptions; and provided, further, that each Holder of Registrable Securities agrees that it will, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company and allow the Company, at its expense, to undertake appropriate action and to prevent disclosure of the Records deemed confidential;

(xi) furnish to each seller and underwriter a signed counterpart of (A) an opinion or opinions of counsel to the Company, and (B) a comfort letter or comfort letters from the Company's independent public accountants, each in customary form and covering such matters of the type customarily covered by opinions or comfort letters, as the case may be, as the sellers or managing underwriter reasonably requests;

(xii) use all its reasonable best efforts to cause the Registrable Shares included in any registration statement to be (A) listed on each securities exchange, if any, on which similar securities issued by the Company are then listed, or (B) authorized to be quoted or listed (to the extent applicable) on the Over-the-Counter Bulletin Board;

(xiii) provide a CUSIP number for the Registrable Shares included in any registration statement not later than the effective date of such registration statement;

(xiv) cooperate with each seller and each underwriter participating in the disposition of such Registrable Shares and their respective counsel in connection with any filings required to be made with the Financial Industry Regulatory Authority ("FINRA");

(xv) during the period when the prospectus is required to be delivered under the Securities Act, promptly file all documents required to be filed with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act;

(xvi) notify each seller of Registrable Shares promptly of any request by the SEC for the amending or supplementing of such registration statement or prospectus or for additional information, and provide each seller of Registrable Shares with copies of all correspondence with or from the SEC, the FINRA or any Governmental Authority in connection with the proposed registration;

(xvii) prepare and file with the SEC promptly any amendments or supplements to such registration statement or prospectus, which, in the opinion of counsel for the Company or the managing underwriter, is required in connection with the distribution of the Registrable Shares;

(xviii) enter into such agreements (including underwriting agreements) as are customary in connection with an underwritten registration; and

(xix) advise each seller of such Registrable Shares, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the SEC suspending the effectiveness of such registration statement or the initiation or threatening of any proceeding for such purpose and promptly use its best efforts to prevent the issuance of any stop order or to obtain its withdrawal at the earliest possible moment if such stop order should be issued.

1.6 **Suspension of Dispositions.** Each Holder agrees by acquisition of any Registrable Shares that, upon receipt of any notice (a “Suspension Notice”) from the Company of the happening of any event of the kind described in Clause 1.5(v)(C), such Holder will forthwith discontinue disposition of Registrable Shares until such Holder’s receipt of the copies of the supplemented or amended prospectus, or until it is advised in writing (the “Advice”) by the Company that the use of the prospectus may be resumed, and has received copies of any additional or supplemental filings which are incorporated by reference in the prospectus, and, if so directed by the Company, such Holder will deliver to the Company all copies, other than permanent file copies then in such Holder’s possession, of the prospectus covering such Registrable Shares current at the time of receipt of such notice. In the event the Company shall give any such notice, the time period regarding the effectiveness of registration statements set forth in Clause 1.5(ii) hereof shall be extended by the number of days during the period from and including the date of the giving of the Suspension Notice to and including the date when each seller of Registrable Shares covered by such registration statement shall have received the copies of the supplemented or amended prospectus or the Advice. The Company shall use its commercially reasonable efforts and take such actions as are reasonably necessary to render the Advice as promptly as practicable. The delivery of a Suspension Notice and any and all information included therein is (a) material nonpublic information as that term is used in the Exchange Act and (b) Information subject to the provisions of Section 8.13 of the Agreement.

1.7 **Registration Expenses.** Subject to the provisions of Clauses 1.1.2 and 1.3.1(a), expenses incident to the Company’s performance of or compliance with the provisions of this Schedule including, without limitation, all registration and filing fees, all fees and expenses associated with filings required to be made with the FINRA (including, if applicable, the fees and expenses of any “qualified independent underwriter” as such term is defined in Schedule E of the By-Laws of the FINRA, and of its counsel), as may be required by the rules and regulations of the FINRA, fees and expenses of compliance with securities or “blue sky” laws (including reasonable fees and disbursements of counsel in connection with “blue sky” qualifications of the Registrable Shares), rating agency fees, printing expenses (including expenses of printing certificates for the Registrable Shares in a form eligible for deposit with Depository Trust Company and of printing prospectuses if the printing of prospectuses is requested by a holder of Registrable Shares), messenger and delivery expenses, the Company’s internal expenses (including without limitation all salaries and expenses of its officers and employees performing legal or accounting duties), the fees and expenses incurred in connection with any listing of the Registrable Shares, fees and expenses of counsel for the Company and its independent certified public accountants (including the expenses of any special audit or “cold comfort” letters required by or incident to such performance), securities acts liability insurance (if the Company elects to obtain such insurance),

the fees and expenses of any special experts retained by the Company in connection with such registration, and the fees and expenses of other Persons retained by the Company and reasonable fees and expenses of one firm of counsel for the sellers (which shall be selected by the Holder requesting such registration or in the case of a piggyback registration pursuant to Clause 1.2 by the holders of a majority of the Registrable Shares being included in any particular registration statement) (all such expenses being herein called "Registration Expenses") will be borne by the Company whether or not any registration statement becomes effective; provided, that, in no event shall Registration Expenses include any underwriting discounts, commissions, or fees attributable to the sale of the Registrable Shares or any counsel (except as provided above), accountants, or other Persons retained or employed by the Holders.

1.8 Indemnification.

1.8.1 The Company agrees to indemnify and reimburse, to the fullest extent permitted by law, each seller of Registrable Shares, and each of its employees, advisors, agents, representatives, partners, officers, shareholders, members and directors and each Person who controls such seller (within the meaning of the Securities Act or the Exchange Act) and any agent or investment advisor thereof (collectively, the "Seller Affiliates") (a) against any and all losses, claims, damages, liabilities, and expenses, joint or several (including, without limitation, attorneys' fees and disbursements except as limited by Clause 1.8.3) based upon, arising out of, related to or resulting from any untrue or alleged untrue statement of a material fact contained in any registration statement, prospectus, or preliminary prospectus or any amendment thereof or supplement thereto, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, (b) against any and all loss, liability, claim, damage, and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation or investigation or proceeding by any Governmental Authority, commenced or threatened, or of any claim whatsoever based upon, arising out of, related to or resulting from any such untrue statement or omission or alleged untrue statement or omission, and (c) against any and all costs and expenses (including reasonable fees and disbursements of counsel) as may be reasonably incurred in investigating, preparing, or defending against any litigation, or investigation or proceeding by any Governmental Authority, commenced or threatened, or any claim whatsoever based upon, arising out of, related to or resulting from any such untrue statement or omission or alleged untrue statement or omission, to the extent that any such expense or cost is not paid under subparagraph (a) or (b) above; except insofar as the same are made in reliance upon and in strict conformity with information furnished in writing to the Company by such seller or any Seller Affiliate specifically for use therein or arise from such seller's or any Seller Affiliate's failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after the Company has furnished such seller or Seller Affiliate with a sufficient number of copies of the same. The reimbursements required by this Clause 1.8.1 will be made by periodic payments during the course of the investigation or defense, as and when bills are received or expenses incurred.

1.8.2 In connection with any registration statement in which a seller of Registrable Shares is participating, each such seller will furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the fullest extent permitted by law, each such seller will indemnify the Company and its directors and officers and each Person who controls the

Company (within the meaning of the Securities Act or the Exchange Act) against any and all losses, claims, damages, liabilities, and expenses (including, without limitation, reasonable attorneys' fees and disbursements except as limited by Clause 1.8.3) based upon, arising out of, related to or resulting from any untrue statement or alleged untrue statement of a material fact contained in the registration statement, prospectus, or any preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or alleged untrue statement or omission or alleged omission is contained in any information or affidavit so furnished in writing by such seller or any of its Seller Affiliates specifically for inclusion in the registration statement; provided, that, the obligation to indemnify will be several, not joint and several, among such sellers of Registrable Shares, and the liability of each such seller of Registrable Shares will be in proportion to the number of Registrable Shares included on any registration statement by such seller, and provided, further, that such liability will be limited to, the net amount received by such seller from the sale of Registrable Shares pursuant to such registration statement; provided, that, such seller of Registrable Shares shall not be liable in any such case to the extent that prior to the filing of any such registration statement or prospectus or amendment thereof or supplement thereto, such seller has furnished in writing to the Company information expressly for use in such registration statement or prospectus or any amendment thereof or supplement thereto which corrected or made not misleading information previously furnished to the Company.

1.8.3 Any Person entitled to indemnification hereunder will (a) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided, that, the failure to give such notice shall not limit the rights of such Person except to the extent that the indemnifying party is materially prejudiced thereby) and (b) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided, that, any person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Person unless (i) the indemnifying party has agreed to pay such fees or expenses, (ii) the indemnifying party shall have failed to assume the defense of such claim and employ counsel reasonably satisfactory to such Person, (iii) the named parties to any such action or proceeding (including any impleaded parties) include both such indemnified party and the indemnifying party, and such indemnified party shall have been advised by counsel in writing that there is a conflict of interest on the part of counsel employed by the indemnifying party to represent such indemnified party, or (iv) the indemnified party's counsel shall have advised the indemnified party that there are defenses available to the indemnified party that are different from or in addition to those available to the indemnifying party and that the indemnifying party is not able to assert on behalf of or in the name of the indemnified party (in which case of either (iii) or (iv), if such indemnified party notifies the indemnifying party in writing that it elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such action or proceeding on behalf of such indemnified party but shall have the right to participate through its own counsel). If such defense is not assumed by the indemnifying party as permitted hereunder, the indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld). If such defense is assumed by the indemnifying party pursuant

to the provisions hereof, such indemnifying party shall not settle or otherwise compromise the applicable claim unless (A) such settlement or compromise contains a full and unconditional release of the indemnified party or (B) the indemnified party otherwise consents in writing. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party, a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim, in which event the indemnifying party shall be obligated to pay the reasonable fees and disbursements of such additional counsel or counsels.

1.8.4 Each party hereto agrees that, if for any reason the indemnification provisions contemplated by Clause 1.8.1 or Clause 1.8.2 are unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, liabilities, or expenses (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party in connection with the actions which resulted in the losses, claims, damages, liabilities or expenses as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Clause 1.8.4 were determined by pro rata allocation (even if the Holders or any underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Clause 1.8.4. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or, except as provided in Clause 1.8.3, defending any such action or claim. Notwithstanding the provisions of this Clause 1.8.4, no Holder shall be required to contribute an amount greater than the dollar amount by which the proceeds received by such Holder with respect to the sale of any Registrable Shares exceeds the amount of damages which such Holder has otherwise been required to pay by reason of any and all untrue or alleged untrue statements of material fact or omissions or alleged omissions of material fact made in any registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto related to such sale of Registrable Securities. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Holders' obligations in this Clause 1.8.4 to contribute shall be several in proportion to the amount of Registrable Shares registered by them and not joint.

If indemnification is available under this Clause 1.8, the indemnifying parties shall indemnify each indemnified party to the full extent provided in Clause 1.8.1 and Clause 1.8.2 without regard to the relative fault of said indemnifying party or indemnified party or any other equitable consideration provided for in this Clause 1.8.4.

The indemnification and contribution provided for under this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, or controlling Person of such indemnified party and will survive the Transfer of securities.

SCHEDULE 2

2.1 **Non-Competition; Non-Solicitation; Confidentiality.**

2.1.1 During the Restricted Period, each Non-Cornerstone FCV Holder shall not, directly or indirectly, (i) engage in any Competitive Activities; (ii) cause, solicit, induce or encourage any Employee employed or engaged by the Company or any Subsidiary (each, a “Restricted Employee”) to leave such employment or to apply for or accept employment (or otherwise become engaged with) with any Person (other than the Company or any Subsidiary); (iii) cause, solicit, induce or encourage any current, former (with which the Company or any Subsidiary has done business in the twelve (12) months preceding the Closing Date) or prospective client, customer, supplier, or licensor of the Company or any Subsidiary or any other Person who has a business relationship with the Company or any Subsidiary, to terminate or modify any such current or prospective relationship or to interfere with any such current or prospective relationship; or (iv) solicit for business or transact business with involving a Competitive Business, in any way, any current, former (with which the Company or any Subsidiary) has done business in the twelve (12) months preceding the Closing Date or prospective client, customer, supplier, or licensor of the Company, any Subsidiary, the Purchaser, PBM GP or any of their respective Subsidiaries.

2.1.2 The restrictions in this Schedule 2 shall not apply to (i) the placement of general advertisements or other notices of employment opportunities which are not targeted directly or indirectly towards Restricted Employees; provided, that during the Restricted Period no Non-Cornerstone FCV Holder may hire or otherwise engage any Restricted Employee that responds to any such general advertisements or other notices of employment opportunities, or (ii) any solicitation of any Restricted Employee whose employment by the Company or any of its Subsidiaries has been terminated by the Company prior to such solicitation.

2.1.3 It will not be a violation of the restrictive covenants set forth in this Schedule 2 for any Non-Cornerstone FCV Holder that was a Seller pursuant to the Purchase Agreements (i) to invest in publicly-traded equity securities of a Competitive Business constituting less than two percent (2%) of the outstanding securities of such class or (ii) to own shares of stock or other equity securities in any mutual fund or to own less than five percent (5%) of the equity securities of a private equity or other private investment fund that owns a Competitive Business. The Company further acknowledges and agrees that with respect to OPE and its Permitted Transferees, such Person’s involvement in the ownership, management and operation of the lines of business set forth on Schedule 6.1(c) to the applicable Purchase Agreements shall not constitute a violation of the restrictive covenants set forth in this Schedule 2.

2.1.4 The covenants and undertakings contained in this Schedule 2 relate to matters which are of a special, unique and extraordinary character, and each of the Non-Cornerstone FCV Holders acknowledges and agrees that a violation of any of the terms of this Schedule 2 will cause irreparable harm to the Company and the Subsidiaries, the amount of which will be impossible to estimate or determine and which cannot be adequately compensated. Accordingly, each Non-Cornerstone FCV Holder acknowledges and agrees that the remedy at law for any breach of this Schedule 2 will be inadequate. Therefore, each Non-Cornerstone FCV Holder acknowledges and agrees that the Company and Subsidiaries will be entitled to an injunction, restraining order or other equitable relief from any court of competent jurisdiction in

the event of any breach or threatened breach of this Schedule 2 without the necessity of proving actual damages or posting any bond whatsoever. The rights and remedies provided by this Schedule 2 are cumulative and in addition to any other rights and remedies that the Company or the Subsidiaries may have hereunder or at law or in equity. If any Non-Cornerstone FCV Holder violates this Schedule 2, then the period of time during which the provisions thereof are applicable will automatically be extended for a period of time equal to the time that such violation began until such violation permanently ceases.

2.1.5 Each Non-Cornerstone FCV Holder represents to the Company and the Subsidiaries that it is willing and able to engage in businesses that are not restricted pursuant to this Schedule 2 and that enforcement of the restrictive covenants set forth in this Schedule 2 will not be unduly burdensome to such Seller. Each Non-Cornerstone FCV Holder acknowledges that its agreement to the restrictive covenants set forth in this Schedule 2 is a material inducement and condition to the Purchaser's and PBM GP's willingness to enter into the Purchase Agreement, the Company's willingness to enter into this Agreement, and the Purchaser's, PBM GP's and the Company's willingness to perform their respective obligations hereunder and thereunder. Each Non-Cornerstone FCV Holder acknowledges and agrees that the restrictive covenants and remedies set forth in this Schedule 2 are reasonable as to time, geographic area and scope of activity and do not impose a greater restraint than is necessary to protect the goodwill and legitimate business interests of the Company, the Subsidiaries and their respective Affiliates.

2.1.6 Notwithstanding anything contained in this Agreement, if the restrictive covenants set forth in this Schedule 2 are found by a court of competent jurisdiction to contain limitations as to time, geographic area or scope of activity that are not reasonable or not necessary to protect the goodwill or legitimate business interests of the Company, the Subsidiaries, and their respective Affiliates, then such court is hereby authorized and directed to reform such provisions to the minimum extent necessary to cause the limitations contained in this Schedule 2 as to time, geographical area and scope of activity to be reasonable and to impose a restraint that is not greater than necessary to protect the goodwill and legitimate business interests of the Company, the Subsidiaries, and their respective Affiliates.

2.1.7 The existence of any claim or cause of action by any Non-Cornerstone FCV Holder against the Company or the Subsidiaries, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the restrictive covenants contained in this Schedule 2 or preclude injunctive relief.

Exhibit A

1. Robert Tyler Wallach

Schedule 2.1. I(a)

Wallach Holders

Robert Ray Wallach

Susan K. Wallach

Robert Tyler Wallach

Sara Elizabeth Wallach

Bryce William Wallach

Any child of the Persons listed above (living at closing or born after closing, but including only children by birth and excluding children by marriage or adoption).

Schedule 2.1.1(b)

Crockett/Highland Holders

- First Generation: Any of Larry Bates, Ryan Hoerauf and Dan Arnold.
- Second Generation: The adult children of Larry Bates, Ryan Hoerauf and Dan Arnold (including only children by birth and excluding children by marriage or adoption, but also including Jeremy House, the son-in-law of Larry Bates).
- Third Generation: Any children of the Second Generation (living at closing or born after closing, but including only children by birth and excluding children by marriage or adoption).

EXHIBIT F
(Certificate No. 4)

Phillip L. Lamberson
Texas Bar No. 00794134
Annmarie Chiarello
Texas Bar No. 24097496
WINSTEAD PC
500 Winstead Building
2728 N. Harwood Street
Dallas, Texas 75201
Telephone: (214) 745-5400
Facsimile: (214) 745-5390
E-mail: plamberson@winstead.com
E-mail: achiarello@winstead.com

ATTORNEYS FOR PROSPERITY BANK

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

IN RE:	§	CHAPTER 11
	§	
SCANROCK OIL & GAS, INC. <i>et al.</i>,¹	§	CASE NO. 25-90001-MXM
	§	
DEBTORS.	§	JOINTLY ADMINISTERED

LENDER'S WITNESS AND EXHIBIT LIST

Prosperity Bank (the "Lender"), file this Witness and Exhibit List and designates the following witnesses and exhibits in connection with the **March 3, 2025** hearing in the above-referenced case.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Scanrock Oil & Gas, Inc. (0380); O'Ryan Family Limited Partnership (1913); O'Ryan Production & Exploration Ltd. (9950); Ryan C. Hoerauf, Inc. (0493); Smackover Oil Treaters, Ltd. (9529); O'Ryan Ponderosa, LLC (1476); EON Production, LLC (0136) and O'Ryan Ranches, Ltd. (7184) (the "Debtors"); The location of the Debtors' service address is 8180 Lakeview Center, Ste. 300, Odessa, TX 79765.

WITNESSES

1. Ryan Hoerauf;
2. A representative of Debtors;
3. A representative of the Lender;
4. Any witness designated or called by any other party; and
5. Any impeachment or rebuttal witnesses.

EXHIBITS

Exhibit	Description	Off.	Obj.	Adm.
A.	Prosperity Bank- Deposition Account Terms & Conditions;			
B.	O’Ryan Family Ltd- Account Documents;			
C.	Ryan C Hoerauf Inc d/b/a O’Ryan Oil & Gas- Account Documents;			
D.	Smackover Oil Treaters, Ltd.- Account Documents;			
E.	The Security Agreement; ²			
F.	The Loan Agreement;			
G.	The Note;			
H.	The Assignment;			
I.	The Pledge Agreement;			
J.	Llano DOT with Amendments;			
K.	All UCC financing statements related to the Prepetition Loan Documents;			
L.	PB Materials Holdings, Inc. Stock Certificate;			
M.	House Digest Article by Kathryn Schultz Inside A Sprawling \$65 Million Ranch In Oregon Replete With Wild Horses ;			
N.	Court Ordered Receivership- Levy dated January 31, 2025;			

² Terms not defined herein have the meanings ascribed to such terms by the the *Interim Order Granting Debtors' Emergency Motion of Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* [Docket No. 57] (the "First Interim Order").

Exhibit	Description	Off.	Obj.	Adm.
O.	Any proposed budget provided by the Debtors; ³			
P.	Any reconciliation of any Budget to actual;			
Q.	Any proposed sale contract related to the Oregon Ranch;			
R.	Any reporting provided to Lender under the First Interim Order;			
S.	Any proof of claim filed by Lender in the Bankruptcy Cases;			
T.	The Prepetition Loan Documents;			
U.	All loan documents, security agreements, financing statements and other agreements by and among the Lender, the Debtors, the Non-Debtors, the Guarantors, and any party affiliated with the Debtors.			
V.	Any exhibit designated by the Debtors or any other party.			
W.	Any impeachment or rebuttal exhibits.			
X.	Any pleadings, reports, or other documents filed in the above-referenced bankruptcy cases, any adversary or appeal related to the foregoing bankruptcy cases, and any transcripts in such cases.			

The Lender reserves the right to amend or supplement this Witness and Exhibit List at any time prior to the Hearing and/or in compliance with the Local Bankruptcy Rules and the orders of this Court. The Lender further reserves the right to provide any documents amended or supplemented in this Witness and Exhibit List to opposing counsel and to this Court as they become available.

³ Exhibits O-R were provided by the Debtors to Lender. As the Debtors have these items available to them, Exhibits O-R will be provided upon request to achiarello@winstead.com, subject to appropriate confidentiality procedures, as to maintain their confidentiality.

DATED: February 27, 2025.

Respectfully submitted,

By: /s/ Annmarie Chiarello
Phillip L. Lamberson
Texas Bar No. 00794134
Annmarie Chiarello
Texas Bar No. 24097496
WINSTEAD PC
500 Winstead Building
2728 N. Harwood Street
Dallas, Texas 75201
Telephone: (214) 745-5400
Facsimile: (214) 745-5390
E-mail: plamberson@winstead.com
E-mail: achiarello@winstead.com

**ATTORNEYS FOR PROSPERITY
BANK**

CERTIFICATE OF SERVICE

I hereby certify that on February 27, 2025, notice of this document will be electronically mailed to the parties that are registered or otherwise entitled to receive electronic notices in this proceeding pursuant to the Electronic Filing Procedures in this District.

/s/ Annmarie Chiarello
One of Counsel

© GCS 720

INCORPORATED UNDER THE LAWS

2018

OF THE STATE OF DELAWARE

NUMBER

4

SHARES
64,000

PB MATERIALS HOLDINGS, INC.

TOTAL AUTHORIZED ISSUE
4,000,000 SHARES COMMON STOCK, \$.0001 PAR VALUE

SEE LEGEND ON REVERSE OF THIS CERTIFICATE

This represents that

O'Ryan Production and Exploration, Ltd.
Sixty-Four Thousand

registered holder of THE COMMON STOCK OF PB MATERIALS HOLDINGS, INC. *James* is the

transferable only on the books of the Corporation by the holder hereof in person or by attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officers and its Corporate Seal to be hereunto affixed this *24* day of *Q. D.* 20*20*

Stephen Toy
Stephen Toy, Secretary

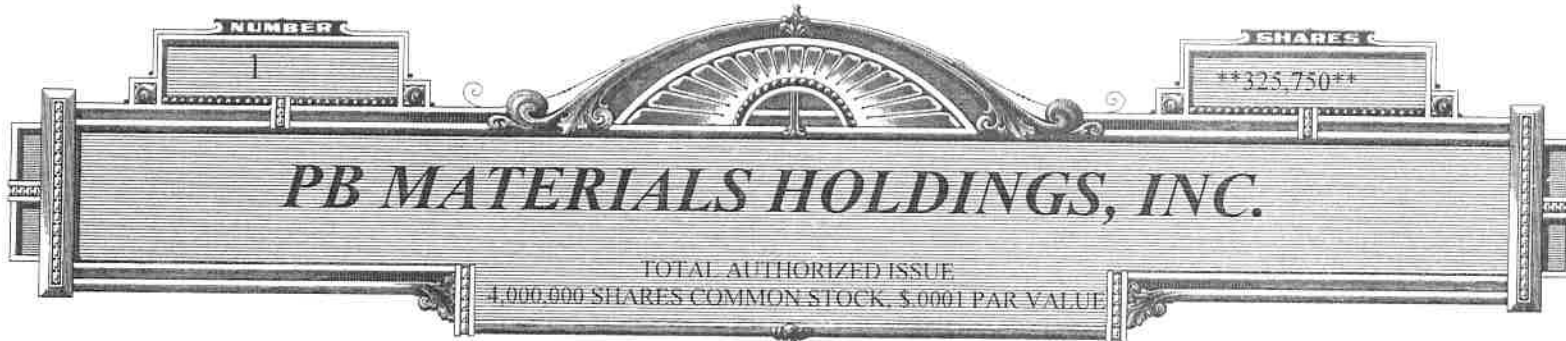
EXHIBIT G

(Stock Certificates Nos. 1-3 and 12)

2013

INCORPORATED UNDER THE LAWS

OF THE STATE OF DELAWARE

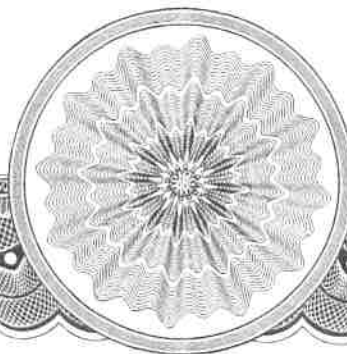


SEE LEGEND ON REVERSE OF THIS CERTIFICATE

This Certifies that ***WLR Recovery Fund V, L.P.*** *is the*
registered holder of ***Three Hundred Twenty-Five Thousand Seven Hundred Fifty*** *Shares*
OF THE COMMON STOCK OF PB MATERIALS HOLDINGS, INC.

transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officers and its Corporate Seal to be hereunto affixed
this 2nd *day of* October *A.D. 20* 13




Stephen Toy, Secretary

THE SECURITIES OF THIS COMPANY REPRESENTED BY THIS CERTIFICATE MUST BE ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE STATE SECURITIES LAWS OF ANY STATE. WITHOUT SUCH REGISTRATION, SUCH SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED AT ANY TIME WHATSOEVER, EXCEPT UPON DELIVERY TO THE COMPANY OF AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED FOR SUCH TRANSFER OR THE SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO THE COMPANY TO THE EFFECT THAT ANY SUCH TRANSFER WILL NOT BE IN VIOLATION OF THE SECURITIES ACT OF 1933 OR APPLICABLE STATE SECURITIES LAWS, OR ANY RULE OR REGULATION PROMULGATED THEREUNDER.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN OPTION TO PURCHASE, RESTRICTIONS ON TRANSFER, VOTING AND OTHER TERMS AND CONDITIONS SET FORTH IN THE STOCKHOLDERS' AGREEMENT, DATED AS OF OCTOBER 2, 2013, A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

*For Value Received, _____ hereby sell, assign and transfer
unto _____
_____ Shares
represented by the within Certificate, and do hereby
irrevocably constitute and appoint
_____ Attorney
to transfer the said Shares on the books of the within named
Corporation with full power of substitution in the premises.
Dated _____ 20____
In presence of _____*

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT
MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE
FACE OF THE CERTIFICATE. IN EVERY PARTICULAR, WITHOUT
ALTERATION OR ENLARGEMENT OR ANY CHANGE, WHATEVER

050764

2013

INCORPORATED UNDER THE LAWS

OF THE STATE OF DELAWARE

NUMBER

2

SHARES

2,500

PB MATERIALS HOLDINGS, INC.

TOTAL AUTHORIZED ISSUE
4,000,000 SHARES COMMON STOCK, \$.0001 PAR VALUE

SEE LEGEND ON REVERSE OF THIS CERTIFICATE

This Certifies that

WLR V Parallel ESC, L.P.

is the

registered holder of

Two Thousand Five Hundred

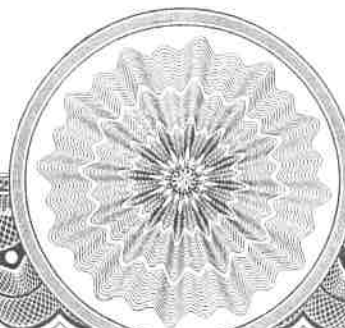
Shares

OF THE COMMON STOCK OF PB MATERIALS HOLDINGS, INC.

transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officers and its Corporate Seal to be hereunto affixed
this 2nd *day of* October *A.D. 2013*


Stephen Toy, Secretary



THE SECURITIES OF THIS COMPANY REPRESENTED BY THIS CERTIFICATE MUST BE ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE STATE SECURITIES LAWS OF ANY STATE. WITHOUT SUCH REGISTRATION, SUCH SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED AT ANY TIME WHATSOEVER, EXCEPT UPON DELIVERY TO THE COMPANY OF AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED FOR SUCH TRANSFER OR THE SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO THE COMPANY TO THE EFFECT THAT ANY SUCH TRANSFER WILL NOT BE IN VIOLATION OF THE SECURITIES ACT OF 1933 OR APPLICABLE STATE SECURITIES LAWS, OR ANY RULE OR REGULATION PROMULGATED THEREUNDER.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN OPTION TO PURCHASE, RESTRICTIONS ON TRANSFER, VOTING AND OTHER TERMS AND CONDITIONS SET FORTH IN THE STOCKHOLDERS' AGREEMENT, DATED AS OF OCTOBER 2, 2013, A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

For Value Received, _____ hereby sell, assign and transfer
unto _____
Shares
represented by the within Certificate, and do hereby
irrevocably constitute and appoint _____
Attorney
to transfer the said Shares on the books of the within named
Corporation with full power of substitution in the premises.
Dated _____ 20____
In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT
MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE
FACE OF THE CERTIFICATE. IN EVERY PARTICULAR, WITHOUT
ALIENATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER

2013

INCORPORATED UNDER THE LAWS

OF THE STATE OF DELAWARE

NUMBER

3

SHARES

176,750

PB MATERIALS HOLDINGS, INC.

TOTAL AUTHORIZED ISSUE

4,000,000 SHARES COMMON STOCK, \$.0001 PAR VALUE

SEE LEGEND ON REVERSE OF THIS CERTIFICATE

This Certifies that

WLR Select Co-Investment, L.P.

is the

registered holder of

One Hundred Seventy-Six Thousand Seven Hundred Fifty

Shares

OF THE COMMON STOCK OF PB MATERIALS HOLDINGS, INC.

transferable only on the books of the Corporation by the holder hereof in person or by Attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officers and its Corporate Seal to be hereunto affixed
this 2nd day of October A.D. 2013


Stephen Toy, Secretary

THE SECURITIES OF THIS COMPANY REPRESENTED BY THIS CERTIFICATE MUST BE ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE STATE SECURITIES LAWS OF ANY STATE. WITHOUT SUCH REGISTRATION, SUCH SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED AT ANY TIME WHATSOEVER, EXCEPT UPON DELIVERY TO THE COMPANY OF AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED FOR SUCH TRANSFER OR THE SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO THE COMPANY TO THE EFFECT THAT ANY SUCH TRANSFER WILL NOT BE IN VIOLATION OF THE SECURITIES ACT OF 1933 OR APPLICABLE STATE SECURITIES LAWS, OR ANY RULE OR REGULATION PROMULGATED THEREUNDER.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN OPTION TO PURCHASE. RESTRICTIONS ON TRANSFER, VOTING AND OTHER TERMS AND CONDITIONS SET FORTH IN THE STOCKHOLDERS' AGREEMENT, DATED AS OF OCTOBER 2, 2013, A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

For Value Received, _____ hereby sell, assign and transfer
unto _____
Shares
represented by the within Certificate, and do hereby
irrevocably constitute and appoint
Attorney
to transfer the said Shares on the books of the within named
Corporation with full power of substitution in the premises.
Dated _____ 20____
In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT
MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE
FACE OF THE CERTIFICATE. IN EVERY PARTICULAR WITHOUT
ALTERATION OR ENLARGEMENT OF ANY CHANGE WHATSOEVER.

2012833

2015

INCORPORATED UNDER THE LAWS

OF THE STATE OF DELAWARE

NUMBER

12

SHARES

12,042.5211

PB MATERIALS HOLDINGS, INC.

TOTAL AUTHORIZED ISSUE
4,000,000 SHARES COMMON STOCK, \$.0001 PAR VALUE

SEE LEGEND ON REVERSE OF THIS CERTIFICATE

This Certifies that

registered holder of

WLR Recovery Fund V, L.P.

***Twelve Thousand Forty-Two and Five Thousand Two Hundred Eleven
Ten-Thousandths***

is the

Shares

OF THE COMMON STOCK OF PB MATERIALS HOLDINGS, INC.

*transferable only on the books of the Corporation by the holder hereof in
person or by Attorney upon surrender of this Certificate properly endorsed.*

*In Witness Whereof, the said Corporation has caused this Certificate to be signed
by its duly authorized officers and its Corporate Seal to be hereunto affixed
this 22nd day of December A.D. 20 15*


Stephen Toy, Secretary

THE SECURITIES OF THIS COMPANY REPRESENTED BY THIS CERTIFICATE MUST BE ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE STATE SECURITIES LAWS OF ANY STATE. WITHOUT SUCH REGISTRATION, SUCH SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED AT ANY TIME WHATSOEVER, EXCEPT UPON DELIVERY TO THE COMPANY OF AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED FOR SUCH TRANSFER OR THE SUBMISSION TO THE COMPANY OF SUCH OTHER EVIDENCE AS MAY BE SATISFACTORY TO THE COMPANY TO THE EFFECT THAT ANY SUCH TRANSFER WILL NOT BE IN VIOLATION OF THE SECURITIES ACT OF 1933 OR APPLICABLE STATE SECURITIES LAWS, OR ANY RULE OR REGULATION PROMULGATED THEREUNDER.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN OPTION TO PURCHASE, RESTRICTIONS ON TRANSFER, VOTING AND OTHER TERMS AND CONDITIONS SET FORTH IN THE STOCKHOLDERS' AGREEMENT, DATED AS OF OCTOBER 2, 2013, A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES.

*For Value Received, _____ hereby sell, assign and transfer
unto _____*

*_____ Shares
represented by the within Certificate, and do hereby
irrevocably constitute and appoint*

*_____ Attorney
to transfer the said Stock on the books of the within named
Corporation with full power of substitution in the premises.*

Dated _____, 20____.

In presence of _____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT
MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE
FACE OF THE CERTIFICATE. IN EVERY PARTICULAR WITHOUT
ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATSOEVER.

EXHIBIT H
(Proposed Proofs of Claim)

Fill in this information to identify the case:

Name of Debtor & Case Number:

- | | |
|--|---|
| ☐ O'Ryan Ranches, Ltd. (Case No. 25-40434) | ☒ O'Ryan Production & Exploration, Ltd. (Case No. 25-90004) |
| ☐ Scanrock Oil and Gas, Inc. (Case No. 25-90001) | ☐ O'Ryan Ponderosa, LLC (Case No. 25-90005) |
| ☐ EON Production, LLC (Case No. 25-90002) | ☐ Ryan C. Hoerauf, Inc. (Case No. 25-90006) |
| ☐ O'Ryan Family Limited Partnership (Case No. 25-90003) | ☐ Smackover Oil Treaters, Ltd. (Case No. 25-90007) |

United States Bankruptcy Court for the Northern District of Texas

Official Form 410

Proof of Claim

12/24

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	Cornerstone Investment FCV LP Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor	
2. Has this claim been acquired from someone else?	☒ No ☐ Yes. From whom?	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? Bojan Guzina; Erin Rosenberg Name 111 South Wacker Drive Number Street Chicago, Illinois 60606 City State ZIP Code Contact phone (312) 881-5400 Contact email bojan.guzina@whitecase.com erin.rosenberg@whitecase.com Uniform claim identifier (if you use one): -----	Where should payments to the creditor be sent? (if different) Name Number Street City State ZIP Code Contact phone Contact email
4. Does this claim amend one already filed?	☒ No ☐ Yes. Claim number on court claims registry (if known) Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	☒ No ☐ Yes. Who made the earlier filing?	

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? ☐ No
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: ____

7. How much is the claim? Upwards of \$25 million. Does this amount include interest or other charges?
See Addendum ☐ No
☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.

See Addendum

9. Is all or part of the claim secured? ☐ No
☐ Yes. The claim is secured by a lien on property.
Nature of property:
☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
☐ Motor vehicle
☐ Other. Describe: See Addendum

Basis for perfection: _____
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) _____ %
☐ Fixed
☐ Variable

10. Is this claim based on a lease? ☒ No
☐ Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? ☐ No
☐ Yes. Identify the property: See Addendum

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☐ No

☐ Yes. Check one:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

☐ Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

☐ Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

Amount entitled to priority

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ See Addendum

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(3) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☒ I am the creditor.

☐ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date _____
MM / DD / YYYY

Signature

Print the name of the person who is completing and signing this claim:

Name

First name

Middle name

Last name

Title

Company

Identify the corporate servicer as the company if the authorized agent is a servicer.

Address

Number

Street

City

State

ZIP Code

Contact phone

Email

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:

SCANROCK OIL & GAS, INC. *et al.*,¹

Debtors.

Chapter 11

Case No. 25-90001-mxm11

Jointly Administered

**ADDENDUM TO PROOFS OF CLAIM OF CORNERSTONE INVESTMENT FCV
LP AGAINST DEBTORS O'RYAN P&E AND O'RYAN FAMILY LP**

1. Claimant. Cornerstone Investment FCV LP (the “**Claimant**”) files this proof of claim (the “**Proof of Claim**”) as a holder of claims against O’Ryan Production & Exploration (“**O’Ryan P&E**”) and O’Ryan Family Limited Partnership (“**O’Ryan Family LP**,” and together with O’Ryan P&E, the “**Debtor Defendants**”) arising from prepetition events and transactions involving the Claimant and the Debtor Defendants, as described more fully below.

2. Basis of Claims. The facts and allegations (collectively, the “**Allegations**”) underlying the complaint (as may be amended, and together with the exhibits attached thereto, the “**Complaint**”)² filed by Claimant in *Cornerstone Investment FCV LP v. Prosperity Bank, et al. (In re Scanrock Oil & Gas, Inc.)*, Ch. 11 Case No. 25-90001-mxm11, Adv. No. 25-_____, Docket No. __ (Bankr. N.D. Tex. Dec. 19, 2025) form the basis of the Claims (as defined below). A copy of the Complaint is attached hereto as **Exhibit 1** and is incorporated herein by reference.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if any, are: Scanrock Oil & Gas, Inc. (0380); EON Production, LLC (0136); O'Ryan Family Limited Partnership (1913); O'Ryan Production & Exploration Ltd. (9950); O'Ryan Ponderosa, LLC (1476); Ryan C. Hoerauf, Inc. (0493); and Smackover Oil Treaters, Ltd. (9529); O'Ryan Ranches, Ltd. (7184); O'Ryan Ranches, LLC (6467); and O'Ryan Oregon Ranches, LLC (collectively, the "**Debtors**"). The location of the Debtors' service address is 8180 Lakeview Center, Ste. 300, Odessa, TX 79765.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Complaint.

3. Claims. Claimant hereby asserts any and all claims that Claimant has against the Debtor Defendants for (i) all fees, costs, expenses, damages, or losses that are owed, sustained, incurred, or to be owed or incurred as a result of or in connection with the Allegations, including damages in an amount upwards of \$25 million, and (ii) any other remedial amount recoverable against the Debtor Defendants as a result of or in connection with the Allegations (collectively, the “**Claims**”), in each case, whether now due or hereafter arising, under law or in equity, which amounts may be presently unliquidated or contingent, but may become fixed and liquidated in the future.

4. Supporting Documents. Claimant attaches the Complaint including the exhibits thereto in support of the Claims and reserves the right to present additional supporting documents.

5. Credit and Setoff. The Claims are not subject to any setoffs, defenses, or counterclaims by the Debtor Defendants. To the extent the Debtor Defendants assert claims against the Claimant, the Claimant reserves the right to assert that such claims are subject to rights of setoff and/or recoupment.

6. Secured Status and Priority. The Claims are filed as general unsecured claims, without any prejudice to any and all rights of the Claimant including to assert that any portion of the Claims is entitled to administrative priority under sections 503 and 507 of the Bankruptcy Code, or is a secured claim to the extent of any right to setoff, or otherwise.

7. Reservation of Rights. The execution and filing of these Claims is not and shall not be deemed: (a) a waiver or release of the Claimant’s rights against any other entity or person liable for all or any part of the Claims asserted herein; (b) a consent by the Claimant to the jurisdiction of this Court with respect to any proceeding commenced in this case against or otherwise involving the Claimant; (c) a waiver of the right to withdraw the reference with respect to the subject matter of the Claims, any objection or other proceedings commenced

with respect thereto or any other proceedings commenced in this case against or otherwise involving the Claimant; (d) a waiver or release by the Claimant of any right to trial by jury, or a consent by the Claimant to a trial by jury, in this Court or any other court; (e) a waiver of any right to the subordination or re-characterization, in favor of the Claimant, of indebtedness or liens held by any creditors of the Debtor Defendants or any of their affiliates; or (f) an election of remedies which waives or otherwise affects any other remedy.

8. Amendments. The Claimant expressly reserves its rights to file any separate or additional proof of claim with respect to the Claims set forth herein or otherwise (which proof of claim, if so filed, shall not be deemed to supersede this Proof of Claim unless expressly so stated therein), to amend or supplement the Claims in any respect, including with respect to the filing of any additional or amended claim for the purpose of fixing and liquidating any contingent or unliquidated claim set forth herein, or to file additional proofs of claim in respect of additional amounts or for any other reason.

9. Notices. All notices with respect to the Claims should be sent to:

White & Case LLP
Attention: Bojan Guzina; Erin R. Rosenberg
111 South Wacker Drive, Suite 5100
Chicago, Illinois 60606
Telephone: (312) 881-5400
Email: bojan.guzina@whitecase.com
Email: erin.rosenberg@whitecase.com

EXHIBIT 1

(Complaint)

Fill in this information to identify the case:

Name of Debtor & Case Number:

- | | |
|---|--|
| ☐ O'Ryan Ranches, Ltd. (Case No. 25-40434) | ☐ O'Ryan Production & Exploration, Ltd. (Case No. 25-90004) |
| ☐ Scanrock Oil and Gas, Inc. (Case No. 25-90001) | ☐ O'Ryan Ponderosa, LLC (Case No. 25-90005) |
| ☐ EON Production, LLC (Case No. 25-90002) | ☐ Ryan C. Hoerauf, Inc. (Case No. 25-90006) |
| ☒ O'Ryan Family Limited Partnership (Case No. 25-90003) | ☐ Smackover Oil Treaters, Ltd. (Case No. 25-90007) |

United States Bankruptcy Court for the Northern District of Texas

Official Form 410

Proof of Claim

12/24

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	Cornerstone Investment FCV LP Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor	
2. Has this claim been acquired from someone else?	☒ No ☐ Yes. From whom?	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? Bojan Guzina; Erin Rosenberg Name 111 South Wacker Drive Number Street Chicago, Illinois 60606 City State ZIP Code Contact phone (312) 881-5400 Contact email bojan.guzina@whitecase.com erin.rosenberg@whitecase.com Uniform claim identifier (if you use one):	Where should payments to the creditor be sent? (if different) Name Number Street City State ZIP Code Contact phone Contact email
4. Does this claim amend one already filed?	☒ No ☐ Yes. Claim number on court claims registry (if known) Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	☒ No ☐ Yes. Who made the earlier filing?	

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? ☐ No
☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: ____

7. How much is the claim? Upwards of \$25 million. Does this amount include interest or other charges?
See Addendum ☐ No
☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.

See Addendum

9. Is all or part of the claim secured? ☐ No
☐ Yes. The claim is secured by a lien on property.
Nature of property:
☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
☐ Motor vehicle
☐ Other. Describe: See Addendum

Basis for perfection: _____
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) _____ %
☐ Fixed
☐ Variable

10. Is this claim based on a lease? ☒ No
☐ Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? ☐ No
☐ Yes. Identify the property: See Addendum

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☐ No

☐ Yes. Check one:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

☐ Up to \$3,350* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

☐ Wages, salaries, or commissions (up to \$15,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

☐ Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

Amount entitled to priority

\$ _____

\$ _____

\$ _____

\$ _____

\$ _____

\$ See Addendum

* Amounts are subject to adjustment on 4/01/25 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(3) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☒ I am the creditor.

☐ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

MM / DD / YYYY

Signature

Print the name of the person who is completing and signing this claim:

Name

First name

Middle name

Last name

Title

Company

Identify the corporate servicer as the company if the authorized agent is a servicer.

Address

Number

Street

City

State

ZIP Code

Contact phone

Email

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:	)	
	)	Chapter 11
	)	
SCANROCK OIL & GAS, INC. <i>et al.</i> , ¹	)	Case No. 25-90001-mxm11
	)	
	)	
Debtors.	)	Jointly Administered
	)	

**ADDENDUM TO PROOFS OF CLAIM OF CORNERSTONE INVESTMENT FCV
LP AGAINST DEBTORS O'RYAN P&E AND O'RYAN FAMILY LP**

1. Claimant. Cornerstone Investment FCV LP (the “**Claimant**”) files this proof of claim (the “**Proof of Claim**”) as a holder of claims against O’Ryan Production & Exploration (“**O’Ryan P&E**”) and O’Ryan Family Limited Partnership (“**O’Ryan Family LP**,” and together with O’Ryan P&E, the “**Debtor Defendants**”) arising from prepetition events and transactions involving the Claimant and the Debtor Defendants, as described more fully below.

2. Basis of Claims. The facts and allegations (collectively, the “**Allegations**”) underlying the complaint (as may be amended, and together with the exhibits attached thereto, the “**Complaint**”)² filed by Claimant in *Cornerstone Investment FCV LP v. Prosperity Bank, et al. (In re Scanrock Oil & Gas, Inc.)*, Ch. 11 Case No. 25-90001-mxm11, Adv. No. 25-_____, Docket No. __ (Bankr. N.D. Tex. Dec. 19, 2025) form the basis of the Claims (as defined below). A copy of the Complaint is attached hereto as **Exhibit 1** and is incorporated herein by reference.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, if any, are: Scanrock Oil & Gas, Inc. (0380); EON Production, LLC (0136); O’Ryan Family Limited Partnership (1913); O’Ryan Production & Exploration Ltd. (9950); O’Ryan Ponderosa, LLC (1476); Ryan C. Hoerauf, Inc. (0493); and Smackover Oil Treaters, Ltd. (9529); O’Ryan Ranches, Ltd. (7184); O’Ryan Ranches, LLC (6467); and O’Ryan Oregon Ranches, LLC (collectively, the “**Debtors**”). The location of the Debtors’ service address is 8180 Lakeview Center, Ste. 300, Odessa, TX 79765.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Complaint.

3. Claims. Claimant hereby asserts any and all claims that Claimant has against the Debtor Defendants for (i) all fees, costs, expenses, damages, or losses that are owed, sustained, incurred, or to be owed or incurred as a result of or in connection with the Allegations, including damages in an amount upwards of \$25 million, and (ii) any other remedial amount recoverable against the Debtor Defendants as a result of or in connection with the Allegations (collectively, the “**Claims**”), in each case, whether now due or hereafter arising, under law or in equity, which amounts may be presently unliquidated or contingent, but may become fixed and liquidated in the future.

4. Supporting Documents. Claimant attaches the Complaint including the exhibits thereto in support of the Claims and reserves the right to present additional supporting documents.

5. Credit and Setoff. The Claims are not subject to any setoffs, defenses, or counterclaims by the Debtor Defendants. To the extent the Debtor Defendants assert claims against the Claimant, the Claimant reserves the right to assert that such claims are subject to rights of setoff and/or recoupment.

6. Secured Status and Priority. The Claims are filed as general unsecured claims, without any prejudice to any and all rights of the Claimant including to assert that any portion of the Claims is entitled to administrative priority under sections 503 and 507 of the Bankruptcy Code, or is a secured claim to the extent of any right to setoff, or otherwise.

7. Reservation of Rights. The execution and filing of these Claims is not and shall not be deemed: (a) a waiver or release of the Claimant’s rights against any other entity or person liable for all or any part of the Claims asserted herein; (b) a consent by the Claimant to the jurisdiction of this Court with respect to any proceeding commenced in this case against or otherwise involving the Claimant; (c) a waiver of the right to withdraw the reference with respect to the subject matter of the Claims, any objection or other proceedings commenced

with respect thereto or any other proceedings commenced in this case against or otherwise involving the Claimant; (d) a waiver or release by the Claimant of any right to trial by jury, or a consent by the Claimant to a trial by jury, in this Court or any other court; (e) a waiver of any right to the subordination or re-characterization, in favor of the Claimant, of indebtedness or liens held by any creditors of the Debtor Defendants or any of their affiliates; or (f) an election of remedies which waives or otherwise affects any other remedy.

8. Amendments. The Claimant expressly reserves its rights to file any separate or additional proof of claim with respect to the Claims set forth herein or otherwise (which proof of claim, if so filed, shall not be deemed to supersede this Proof of Claim unless expressly so stated therein), to amend or supplement the Claims in any respect, including with respect to the filing of any additional or amended claim for the purpose of fixing and liquidating any contingent or unliquidated claim set forth herein, or to file additional proofs of claim in respect of additional amounts or for any other reason.

9. Notices. All notices with respect to the Claims should be sent to:

White & Case LLP
Attention: Bojan Guzina; Erin R. Rosenberg
111 South Wacker Drive, Suite 5100
Chicago, Illinois 60606
Telephone: (312) 881-5400
Email: bojan.guzina@whitecase.com
Email: erin.rosenberg@whitecase.com

EXHIBIT 1

(Complaint)

B1040 (FORM 1040) (12/24)

ADVERSARY PROCEEDING COVER SHEET (Instructions on Reverse)		ADVERSARY PROCEEDING NUMBER (Court Use Only)
PLAINTIFFS Cornerstone Investment FCV LP	DEFENDANTS Prosperity Bank; O'Ryan Production & Exploration Ltd; O'Ryan Family Limited Partnership	
ATTORNEYS (Firm Name, Address, and Telephone No.) PHELPS DUNBAR Blake A. Bailey 2102 E. State Highway 114, Suite 207 Southlake, Texas 76092 (817) 305-0332	ATTORNEYS (If Known) WINSTEAD PC Phillip Lamberson Annmarie Chiarello 500 Winstead Building, 2728 N. Harwood Street, Dallas, TX 75201 (214) 745-5400 ROCHELLE MCCULLOUGH, LLP J. Mark Chevallier Bryan L. Rochelle 901 Main Street, Suite 3200 Dallas, TX 75202 (214) 953-0182	
PARTY (Check One Box Only) ☐ Debtor ☐ U.S. Trustee/Bankruptcy Admin ☒ Creditor ☐ Other ☐ Trustee	PARTY (Check One Box Only) ☒ Debtor ☐ U.S. Trustee/Bankruptcy Admin ☒ Creditor ☐ Other ☐ Trustee	
CAUSE OF ACTION (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED) Plaintiff seeks declaratory judgments as to the validity of a prepetition sale and the invalidity of a lien under 28 U.S.C. §§ 2201, 2022. In the alternative, Plaintiff seeks leave to late-file claims under sections 105(a), 501, and 502 of the Bankruptcy Code and relief from the order confirming the Debtors' plan of reorganization and related rulings under sections 105(a), 1112(b), and 1144 of the Bankruptcy Code or Federal Rule of Civil Procedure 60(b).		
NATURE OF SUIT (Number up to five (5) boxes starting with lead cause of action as 1, first alternative cause as 2, second alternative cause as 3, etc.)		
FRBP 7001(a) – Recovery of Money/Property ☐ 11-Recovery of money/property - §542 turnover of property ☐ 12-Recovery of money/property - §547 preference ☐ 13-Recovery of money/property - §548 fraudulent transfer ☐ 14-Recovery of money/property - other FRBP 7001(b) – Validity, Priority or Extent of Lien ☒ 21-Validity, priority or extent of lien or other interest in property FRBP 7001(c) – Approval of Sale of Property ☐ 31-Approval of sale of property of estate and of a co-owner - §363(h) FRBP 7001(d) – Objection/Revocation of Discharge ☐ 41-Objection / revocation of discharge - §727(c),(d),(e) FRBP 7001(e) – Revocation of Confirmation ☒ 51-Revocation of confirmation FRBP 7001(f) – Dischargeability ☐ 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims ☐ 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud ☐ 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny (continued next column) FRBP 7001(f) – Dischargeability (continued) ☐ 61-Dischargeability - §523(a)(5), domestic support ☐ 68-Dischargeability - §523(a)(6), willful and malicious injury ☐ 63-Dischargeability - §523(a)(8), student loan ☐ 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) ☐ 65-Dischargeability - other FRBP 7001(g) – Injunctive Relief ☐ 71-Injunctive relief – imposition of stay ☐ 72-Injunctive relief – other FRBP 7001(h) Subordination of Claim or Interest ☐ 81-Subordination of claim or interest FRBP 7001(i) Declaratory Judgment ☒ 91-Declaratory judgment FRBP 7001(j) Determination of Removed Action ☐ 01-Determination of removed claim or cause Other ☐ SS-SIPA Case – 15 U.S.C. §§78aaa <i>et seq.</i> ☐ 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)		
☒ Check if this case involves a substantive issue of state law		☐ Check if this is asserted to be a class action under FRCP 23
☐ Check if a jury trial is demanded in complaint		Demand \$
Other Relief Sought		

B1040 (FORM 1040) (12/24)

BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR SCANROCK OIL & GAS, INC., et al.		BANKRUPTCY CASE NO. 25-90001-mxm11
DISTRICT IN WHICH CASE IS PENDING Northern District of Texas	DIVISION OFFICE Fort Worth	NAME OF JUDGE Honorable Judge Mullin
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF	DEFENDANT	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING	DIVISION OFFICE	NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF)		
DATE December 19, 2025	PRINT NAME OF ATTORNEY (OR PLAINTIFF) 	

INSTRUCTIONS

The filing of a bankruptcy case creates an “estate” under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor’s discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also complete and file Form 1040, the Adversary Proceeding Cover Sheet, unless the party files the adversary proceeding electronically through the court’s Case Management/Electronic Case Filing system (CM/ECF). (CM/ECF captures the information on Form 1040 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff’s attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

Plaintiffs and Defendants. Give the names of the plaintiffs and defendants exactly as they appear on the complaint.

Attorneys. Give the names and addresses of the attorneys, if known.

Party. Check the most appropriate box in the first column for the plaintiffs and the second column for the defendants.

Demand. Enter the dollar amount being demanded in the complaint.

Signature. This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not represented by an attorney, the plaintiff must sign.