

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
	§	
Barrow Shaver Resources Company LLC, ¹	§	Case No. 24-33353
	§	
	§	
Debtor.	§	

**DEBTOR'S EMERGENCY MOTION TO APPROVE
COMPROMISE AND SETTLEMENTS BY AND AMONG THE DEBTOR,
TEXOIL INVESTMENTS, LLC, TEXOIL ET, LLC, AND SETTLING PURPORTED
WORKING INTEREST OWNERS PURSUANT TO FED. R. BANKR. P. 9019(A)**

EMERGENCY RELIEF HAS BEEN REQUESTED. RELIEF IS REQUESTED NOT LATER THAN MAY 7, 2026, AT 4:00 P.M. (PREVAILING CENTRAL TIME). IF YOU OBJECT TO THE RELIEF REQUESTED OR YOU BELIEVE THAT EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU MUST APPEAR AT THE HEARING OR FILE A WRITTEN RESPONSE PRIOR TO THE DATE THAT RELIEF IS REQUESTED. OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

A HEARING WILL BE CONDUCTED ON THIS MATTER ON MAY 7, 2026, AT 4:00 P.M. (PREVAILING CENTRAL TIME) IN COURTROOM 400, 515 RUSK, HOUSTON, TEXAS 77002. YOU MAY PARTICIPATE IN THE HEARING EITHER IN PERSON OR BY AN AUDIO AND VIDEO CONNECTION.

AUDIO COMMUNICATION WILL BE BY USE OF THE COURT'S DIAL-IN FACILITY. YOU MAY ACCESS THE FACILITY AT 832-917-1510. ONCE CONNECTED, YOU WILL BE ASKED TO ENTER THE CONFERENCE ROOM NUMBER. JUDGE PÉREZ'S CONFERENCE ROOM NUMBER IS 282694. VIDEO COMMUNICATION WILL BE BY USE OF THE GOTOMEETING PLATFORM. CONNECT VIA THE FREE GOTOMEETING APPLICATION OR CLICK THE LINK ON JUDGE PÉREZ'S HOME PAGE. THE MEETING CODE IS "JUDGEPEREZ". CLICK THE SETTINGS ICON IN THE UPPER RIGHT CORNER AND ENTER YOUR NAME UNDER THE PERSONAL INFORMATION SETTING. HEARING APPEARANCES MUST BE MADE ELECTRONICALLY IN ADVANCE

¹ The last four digits of the Debtor's federal tax identification number are 0510. The Debtor's corporate headquarters is located at 977 Pruitt Place, Tyler, TX 75703. All pleadings, as well as additional information related to the administration of the above-captioned bankruptcy case, are accessible free of charge on the case website at the following link: <https://cases.ra.kroll.com/BSR/>.

OF BOTH ELECTRONIC AND IN-PERSON HEARINGS. TO MAKE YOUR APPEARANCE, CLICK THE “ELECTRONIC APPEARANCE” LINK ON JUDGE PÉREZ’S HOME PAGE. SELECT THE CASE NAME, COMPLETE THE REQUIRED FIELDS, AND CLICK “SUBMIT” TO COMPLETE YOUR APPEARANCE.

Barrow Shaver Resources Company LLC (the “**Debtor**”), debtor and debtor-in-possession in the above-captioned chapter 11 case (the “**Bankruptcy Case**”), hereby files this *Emergency Motion to Approve Compromise and Settlements by and Among the Debtor, TexOil Investments, LLC, TexOil ET, LLC, and Settling Purported Working Interest Owners Pursuant to Fed. R. Bankr. P. 9019(a)* (the “**Motion**”) seeking to approve settlement agreements (each a “**Settlement Agreement**”, collectively, the “**Settlement Agreements**”) by and among the Debtor, TexOil Investments, LLC, and TexOil ET, LLC² (collectively TexOil Investments, LLC and TexOil ET, LLC being “**TexOil**”), and various parties claiming working interests in the Hidden Rock Field (such parties being the “**Settling Purported WIOs**”, together with TexOil and the Debtor, the “**Parties**”). In support of the Motion, the Debtor respectfully states as follows:

PRELIMINARY STATEMENT³

1. On November 19, 2025, the Court entered its Sale Order approving the sale of the substantial majority of the Debtor’s assets to TexOil pursuant to the Sale Order and the terms set forth in the APAs (as further described below). One of the complicating factors of the sale to TexOil is the treatment of certain litigation and the rights assigned to TexOil under the Lot 2 APA. Such complexity largely accounts for the delay in closing the sale transactions that were approved

² As permitted by the APAs (as such term is defined below), TexOil Investments, LLC assigned its rights and obligations under the APAs to TexOil ET, LLC, with TexOil Investments, LLC remaining liable on a joint and several basis for the obligations owed by Buyer under the APAs.

³ Capitalized terms used in the Preliminary Statement but not otherwise defined have the meaning ascribed below. Capitalized terms used in the Motion but not otherwise defined herein have the meaning ascribed to such terms in the Settlement Agreements or, as applicable, the Sale Order (as defined below).

under the Sale Order. Notwithstanding such complexity, the Debtor is happy to report that the closing on the sale to TexOil is expected to take place this week, with an outside closing date of this Friday, May 1, 2026.

2. To date, the Debtor has been working tirelessly with TexOil to facilitate and—where possible—settle with the purported working interest owners who are the subject of the litigation described in the Lot 2 APA. In connection with such effort, the Debtor sought authority to enter into certain settlements pursuant to the Debtor’s Settlement Procedures Motion [Docket No. 1008] that was approved, in substantial part, by the Court’s entry of the Settlement Procedures Order [Docket No. 1055] that authorized the Debtor to enter into a specific type of settlement as described in the Form Settlement Agreement. The Debtor is in the process of finalizing settlements that utilize the Form Settlement Agreement and will, likewise, file a notice with the Court disclosing the identity of any settling parties pursuant to the Settlement Procedures Order.⁴

3. Additionally, the Debtor and TexOil have pursued settlements with purported working interest owners *that fall outside of the* Form Settlement Agreement and the Settlement Procedures Order and that, likewise, require approval pursuant to Bankruptcy Rule 9019; *to wit*, the settlements between the Debtor, TexOil, and the Settling Purported WIOs—*that are the subject of this Motion*—contain settlement terms that are not included in the Form Settlement.

4. The Settlements that are the subject of this Motion, however, represent a material enhancement to the value conveyed to the Debtor’s estate by virtue of the Lot 2 APA—*namely*, TexOil has agreed to fund a guaranteed minimum amount of **\$16,240,000** (the “**Guaranteed**

⁴ See Settlement Procedures Order at 6 ¶ 1.h (“Within ten (10) business days of entering into a Settlement pursuant to th[e] Settlement Procedures [under the Settlement Procedures Order] (or as soon as possible thereafter given the circumstances), the Debtor shall file a notice with the Bankruptcy Court disclosing the identify of any Settling Parties; *provided that*, the Settlement Amounts shall be kept strictly confidential pursuant to th[e] Settlement Procedures] Order.”) (emphasis in original).

Minimum Payment”) to the estate under the Lot 2 APA⁵—*as opposed to such payment being conditioned on certain contingencies*—in connection with the tri-party settlements described in the Settlement Agreements with the Debtor, TexOil, and the Settling Purported WIOs. This Guaranteed Minimum Payment will be fully paid at closing and is accreditive to, in each case subject to the APAs, (i) the gross \$27,520,000 purchase price that will be paid at closing for Lot 1, (ii) additional amounts that will be paid under the Lot 2 APA upon delivery to TexOil of disputed working interests, and (iii) the assumption of certain plugging and abandonment liabilities by TexOil under the Lot 3 APA.

5. As described below, TexOil’s agreement to pay the Guaranteed Minimum Payment is contained within the Executed Lot 2 APA authorized under the Sale Order. In connection therewith (and to secure TexOil’s agreement to fund the Guaranteed Minimum Payment), the Debtor, in coordination with TexOil, has negotiated the Settlement Agreements with following purported working interest owners (as previously defined, the “**Settling Purported WIOs**”): (1) RB Oil, LLC (“**RB Oil**” and such Settlement Agreement being the “**RB Oil / TexOil / BSR Settlement Agreement**”);⁶ (2) Wayne and Kathleen Cunningham (“**Cunningham**” and such Settlement Agreement being the “**Cunningham / TexOil / BSR Settlement Agreement**”);⁷ (3) Mike Murphy (“**Murphy**” and such Settlement Agreement being the “**Murphy / TexOil / BSR**”

⁵ As further described below, the Guaranteed Minimum Payment is composed of \$12,992,000 of Additional Cash Consideration and the \$3,248,000 Allocatable Lot 2 Deposit Amount (as such terms are defined below). See paragraph 13, *infra*. Such enhancement is contained within the Executed Lot 2 APA and such value-enhancing modifications were authorized under the Sale Order.

⁶ A copy of the RB Oil / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-1**. For reference purposes, a Table of Exhibits follows this Motion.

⁷ A copy of the Cunningham / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-2**. For reference purposes, a Table of Exhibits follows this Motion.

Settlement Agreement”);⁸ (4) BMW Investments, LP (“**BMW**” and such Settlement Agreement being the “**BMW / TexOil / BSR Settlement Agreement**”);⁹ and (5) 0078HT LLC (“**0078HT**” and such Settlement Agreement being the “**0078HT / TexOil / BSR Settlement Agreement**”).¹⁰

6. While certain differences exist between the Settlement Agreements, the Settlement Agreements—generally speaking—represent the following tri-party deal between the Parties:¹¹

- a) In exchange for consideration provided by the Settling Purported WIO, TexOil has agreed to grant the Settling Purported WIO an interest in production;
- b) From the Debtor’s perspective, the Debtor will receive a “prepayment” (in the form of the Guaranteed Minimum Payment) of what it would otherwise receive under the Lot 2 APA that would have initially been paid if and only if the Debtor was successful in delivering “clear title”; and
- c) With limited exceptions, the Debtor also receives a release of any claim asserted by the Settling Purported WIO.¹²

⁸ A copy of the Murphy / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-3**. For reference purposes, a Table of Exhibits follows this Motion.

⁹ A copy of the BMW / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-4**. For reference purposes, a Table of Exhibits follows this Motion.

¹⁰ A copy of the 0078HT / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-5**. For reference purposes, a Table of Exhibits follows this Motion.

¹¹ Each of the Settlement Agreements is incorporated into this Motion as if set forth fully herein.

¹² The limited exceptions are that BMW’s and 0078HT’s Settlement Agreements include fixing and allowing agreed minimal and unsecured rejection damages claims regarding the rejection of the JOA and their EAs. In consideration, BMW and 0078HT also released assertion of any potential administrative claim. *See, e.g., BMW Investments, L.P.’s Supplemental Objection to Debtor’s Notice of (I) Potential Assumption and Assignment of Contracts and Leases as to Lots 1 And 2 and (II) Cure Amounts In Connection Therewith* [Dkt No. 1060] (asserting an administrative claim).

7. To authorize the Debtor to enter into the Settlement Agreements, the Debtor seeks entry of an Order substantially in the form of the proposed order attached hereto as **Exhibit A** (the “**Proposed Order**”). Consistent with the Sale Order, the Proposed Order provides that any statutory liens encumbering the purported working interests attributable to the Settling Purported WIOs shall attach to the Guaranteed Minimum Payment—i.e., the proceeds that are realized from the liquidation of these Lot 2 assets. As such, the Debtor respectfully submits that no parties interests are adversely affected by entry of the Proposed Order.

8. As such, the Debtor seeks relief on an emergency basis to facilitate the closing of the sale transactions to TexOil.

BACKGROUND

I. The Chapter 11 Case and TexOil Sale.

9. A comprehensive overview of the Debtor’s operations and the Bankruptcy Case was provided in the *Emergency Motion for Entry of an Order (I) Approving the Sale of the Substantial Majority of the Debtor’s Assets to TexOil Investments, LLC, (II) Authorizing the Debtor to Enter Into the TexOil Asset Purchase Agreements, (III) Approving the Sale of the Assets Free and Clear of Claims, Liens, Interests, and Encumbrances, (IV) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases as Set Forth in the TexOil Asset Purchase Agreements, and (V) Granting Related Relief* [Docket No. 917] (the “**Sale Motion**”) and is incorporated herein by reference.

10. On November 19, 2025, the Court entered the *Order Granting Debtor’s Emergency Motion for Entry of an Order (I) Approving the Sale of the Substantial Majority of the Debtor’s Assets to TexOil Investments, LLC, (II) Authorizing the Debtor to Enter Into the TexOil Asset Purchase Agreements, (III) Approving the Sale of the Assets Free and Clear of Claims, Liens,*

Interests, and Encumbrances, (IV) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases as Set Forth in the TexOil Asset Purchase Agreements, and (V) Granting Related Relief [Docket No. 972] (the “**Sale Order**”) approving the sale of the substantial majority of the Debtor’s assets to TexOil. The Sale Order approved the sale of the assets and free and clear to TexOil pursuant to section 363 of the Bankruptcy Code.¹³

11. As contemplated in the *Order Granting Debtor’s Emergency Motion for Entry of an Order (I) Approving the Bidding Procedures and Auction, (II) Scheduling Bid Deadlines, an Auction, Objection Deadlines, and a Hearing, (III) Approving the Form and Manner of Notice of the Sale Transaction, the Auction, the Hearing, and Assumption and Assignment Procedures, (IV) Authorizing the Debtor to Enter into a Lead Bidder Agreement, and (V) Granting Related Relief* [Docket No. 760] (the “**Bidding Procedures Order**”) and the Bidding Procedures [Docket No. 760] (the “**Bidding Procedures**”), the sale transactions consisted of three Lots. Forms of the asset purchase agreements for “**Lot 1**”, “**Lot 2**”, and “**Lot 3**” were filed, in connection with the Court’s entry of the Sale Order, at Docket Nos. 932 (the “**Lot 1 APA**”), 933 (the “**Lot 2 APA**”), and 934 (the “**Lot 3 APA**” and collectively with the Lot 1 APA and Lot 2 APA, the “**APAs**” and each an “**APA**”), respectively.¹⁴

II. The Executed Lot 2 APA.

12. On January 23, 2026, the APAs were executed by TexOil and the Debtor. In connection with the execution of the Lot 2 APA (the “**Executed Lot 2 APA**”),¹⁵ the Debtor and TexOil made certain clarifying modifications that were expressly permitted under the Sale Order,

¹³ See Sale Order, ¶¶ AA, 17, and 22, pp. 13, 24, and 26.

¹⁴ A description of the assets contained within each Lot is contained within each separate APA.

¹⁵ A copy of the Executed Lot 2 APA is attached hereto as **Exhibit C**.

which authorizes the parties to waive, modify, amend, or supplement the APAs without further order of the Court so long as such changes are not materially adverse to the Debtor's estate.¹⁶ The execution-stage changes to the Executed Lot 2 APA were negotiated at arm's length (and in consultation with the Sale Consultation Parties under the Bidding Procedures Order¹⁷) and were designed to enhance value, certainty, and enforceability for the estate, including by strengthening the Debtor's economics and clarifying the circumstances under which consideration would be paid upon the delivery of Clear Title. These refinements did not alter the overall structure of the sale transactions or impair creditor rights, but instead increased the certainty of recovery and reduced execution risk. Accordingly, the modifications fall squarely within the scope of the authority granted by the Sale Order and were beneficial to the Debtor's estate.

13. What is more (and as relevant for this Motion), the modifications implemented the provisions allowing for the payment by TexOil to the estate of the Guaranteed Minimum Payment at closing. Sections 3.3(b) and 3.3(c) of the Executed Lot 2 APA work together to implement a guaranteed minimum payment structure. Under Section 3.3(b), TexOil is required to pay the Debtor a cash amount of \$12,992,000 at closing (such amount being the "**Additional Cash Consideration**"), designated as the Purchase Price Floor, which, together with the deposit amount of \$3,248,000 already paid by TexOil to the Debtor upon execution of the Executed Lot 2 APA (such amount being the "**Allocatable Lot 2 Deposit Amount**"), the parties expressly agreed "is the minimum amount required to be paid by [TexOil] to [the Debtor] for the Assets pursuant to this Agreement." The Additional Cash Consideration [\$12,992,000] and the Allocatable Lot 2

¹⁶ See Sale Order, ¶ 52.

¹⁷ While paragraph 52 of the Sale Order does not require the Debtor to confer with the Sale Consultation Parties in connection with such amendment, the Debtor—out of an abundance of caution—informed the Sale Consultation Parties of the proposed amendments.

Deposit Amount [\$3,248,000] fund the Guaranteed Minimum Payment [\$16,240,000].¹⁸ Section 3.3(b) further provides that TexOil is not obligated to make additional Cleared Interest Payments unless and until the aggregate amount of such payments exceeds the Purchase Price Floor, but clarifies that TexOil shall pay the Debtor at least \$16,240,000 in Cleared Interest Payments in total.

14. Sections 3.3(c) and 8.6 then govern the mechanics for additional payments to be made by TexOil to the Debtor upon the establishment of Clear Title to disputed third-party working interests. As working interest disputes are resolved—either through settlement or judicial determination—funds are released from escrow and paid to the Debtor as Cleared Interest Payments, which are credited toward satisfaction of the Purchase Price Floor and thereafter increase the Debtor’s total recovery beyond the Guaranteed Minimum Payment. These provisions do not operate as conditions precedent to closing and do not modify the Sale Order. Instead, they define the timing and allocation of consideration under the already approved sale structure.

15. In summary, the Executed Lot 2 APA establishes a Guaranteed Minimum Payment to the Debtor of \$16,240,000. This was negotiated and incorporated at execution to enhance value certainty for the estate and to protect against downside risk inherent in resolving disputed working interest claims. The pricing structure ensures that, regardless of the timing or sequencing of title clearance, the Debtor receives a contractually guaranteed minimum recovery that is independent of litigation outcomes and materially beneficial to the estate.

¹⁸ Said differently, the Guaranteed Minimum Payment [\$16,240,000] equals the sum of the Additional Cash Consideration [\$12,992,000] PLUS the Allocatable Lot 2 Deposit Amount [\$3,248,000].

III. Third-Party Claimed Interests.

16. On January 28, 2026, the Court entered the Settlement Procedures Order [Docket No. 1055],¹⁹ authorizing the Debtor to resolve certain third-party interest disputes according to the Settlement Procedures and pursuant to the Form Settlement Agreement (as the terms “**Settlement Procedures**” and “**Form Settlement Agreement**” are defined in the Settlement Procedures Order).²⁰ These Settlement Procedures were put in place to resolve disputed third-party claims of non-operating working interests related to Lot 2 (the “**Alleged Working Interests**”). Absent consensual resolution, the Debtor would be required to litigate ownership, title, and historical revenue issues with respect to each claimant to obtain the Cleared Interest Payments, at the expense of the estate and with material risk to the timing and certainty of recoveries.

17. The Debtor and TexOil continue to negotiate settlements that fit within the Form Settlement Agreement, and will provide notice of those settlements to the Notice Parties and the Court in accordance with the Settlement Procedures Order. As detailed below, the Settlement Agreements attached hereto contain different terms than the Form Settlement Agreement, and therefore need separate Court approval.

IV. The Settlement Agreements.

18. The following parties claiming working interests have agreed to execute settlement agreements with TexOil and the Debtor: RB Oil, Cunningham, Murphy, BMW, and 0078HT. The

¹⁹ Order Granting Debtor’s Motion for Entry of an Order (I) Authorizing and Approving Procedures for Settling Causes of Action Related to the TexOil Asset Purchase Agreement for Lot 2 and (II) Granting Related Relief (the “**Settlement Procedures Order**”) [Docket No. 1055] granted the Debtor’s Motion for Entry of an Order (I) Authorizing and Approving Procedures for Settling Causes of Action Related to the TexOil Asset Purchase Agreement for Lot 2 and (II) Granting Related Relief (the “**Settlement Procedures Motion**”) [Docket No. 1008].

²⁰ The Settlement Procedures include certain notice requirements to the U.S. Trustee, counsel for the Official Committee of Unsecured Creditors, and counsel for Cactus Wellhead LLC (collectively and as defined in the Settlement Procedures Order, the “**Notice Parties**”).

Settlement Agreements are attached hereto as **Exhibits B-1 through B-5**.²¹ In all of the Settlement Agreements the Debtor agrees to pay the Settling Purported WIOs \$100.00 upon Court approval and satisfaction of the sale transactions' closing conditions. In exchange, the Settling Purported WIOs (i) disclaim and release all claims to the Alleged Working Interests; (ii) dismiss any pending litigation with prejudice; and (iii) with limited exceptions, provide full, mutual releases to the Debtor and TexOil.²²

19. Therefore, the Settlement Agreements are a mechanism through which Clear Title is achieved for TexOil with respect to the Settling Purported WIOs. By resolving disputed non-operating working interest claims, the Debtor delivers the benefit of bargain contemplated by the Executed Lot 2 APA, namely, the elimination of ownership uncertainty and the ability for TexOil to proceed with assignment and assumption of "Cleared Interests" while negotiating new operating and exploration agreements. The Guaranteed Minimum Payment therefore reflects consideration flowing to the estate for the successful clearing of title through the Settlement Agreements, rather than an additional or separate payment obligation imposed by the Settlement Agreements themselves.

20. Therefore, upon execution of the Settlement Agreements, TexOil and the Debtor will jointly instruct the escrow agent to release from escrow the \$100.00 settlement amounts due

²¹ A copy of the RB Oil / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-1**. A copy of the Cunningham / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-2**. A copy of the Murphy / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-3**. A copy of the BMW / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-4**. A copy of the 0078HT / TexOil / BSR Settlement Agreement is attached hereto as **Exhibit B-5**. For reference purposes, a Table of Exhibits follows this Motion.

²² As further described below, the limited exceptions are that BMW's and 0078HT's Settlement Agreements include fixing and allowing agreed minimal and unsecured rejection damages claims regarding the rejection of the JOA and their EAs. In consideration, BMW and 0078HT also released assertion of any potential administrative claim. *See, e.g., BMW Investments, L.P.'s Supplemental Objection to Debtor's Notice of (I) Potential Assumption and Assignment of Contracts and Leases as to Lots 1 And 2 and (II) Cure Amounts In Connection Therewith* [Dkt No. 1060] (asserting an administrative claim).

to the Settling Purported WIOs. The Settlement Agreements also facilitate a separate arms-length purchase of a defined working interest from TexOil, which does not impose additional obligations on the Debtor or the estate. Specifically, BMW separately agreed to purchase defined non-operating working interests from TexOil, including optional participation in certain Lot 3 assets. These transactions do not impact the estate or the Debtor.

21. The Debtor notes that while all of the Settlement Agreements resolve disputed non-operating working interest claims as described above, BMW's and 0078HT's Settlement Agreements contain additional terms. Their Settlement Agreements also include fixing and allowing agreed rejection damages claims regarding the rejection of the JOA and their EAs.²³ As to BMW only, the Debtor and BMW agree to preserve certain affiliate claims.²⁴ The Settlement Agreement with BMW also facilitates broader, non-estate commercial arrangements between BMW and TexOil. These different terms are due in part to BMW's vendor-affiliates asserting liens on the estate assets TexOil purchased.

BASIS FOR RELIEF

22. The Debtor requests entry of the Proposed Order, approving the Settlement Agreements. The Debtor submits that the terms of the Settlement Agreements are fair and equitable and that their approval is in the best interests of creditors and the Debtor's estate.

²³ On March 25, 2026, the Court entered the *Order Granting Debtor's First Omnibus Motion for Entry of an Order (I) Authorizing the Rejection of the Executory Contracts and (II) Granting Related Relief* [Docket No. 1136] rejecting the Joint Operating Agreement ("**JOA**") and Exploration Agreements ("**EAs**") by and among the Debtor and the purported working interest owners in Hidden Rock Field.

²⁴ BMW's affiliates are Genesis Endeavors, LLC and Strong Services, LP. For avoidance of doubt, the BMW Settlement Agreement resolves only BMW's ownership dispute and liquidates BMW's direct unsecured claim in an agreed amount, while all rights related to the affiliates' claims are expressly preserved for future resolution in the Bankruptcy Case, ensuring that approval of the settlement does not prejudice the estate's or the affiliates' respective rights with respect to those claims.

23. Pursuant to section 105(a) of the Bankruptcy Code and Rule 9019(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), this Court may approve the compromise reached by the Parties.²⁵ “One of the goals of Congress in fashioning the Bankruptcy Code was to encourage parties in a distress situation to work out a deal among themselves.”²⁶ “[C]ompromises are favored in bankruptcy” because they minimize litigation costs and further the parties’ interest in expediting the administration of a bankruptcy case.²⁷

24. Bankruptcy Rule 9019 governs the procedural requirements to be followed before a settlement may be approved.²⁸ Bankruptcy Rule 9019(a) provides in relevant part that: “[o]n the [debtor-in-possession]’s motion and after notice and a hearing, the court may approve a compromise or settlement.”²⁹ Bankruptcy Rule 9019(a) empowers a bankruptcy court to approve compromises and settlements if they are “fair and equitable and in the best interest of the estate.”³⁰ Moreover, section 105(a) of the Bankruptcy Code provides in pertinent part that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.”³¹

²⁵ FED. R. BANKR. 9019(a); 11 U.S.C. § 105(a).

²⁶ *In re Mirant Corp.*, 334 B.R. 800, 811 (Bankr. N.D. Tex. 2005).

²⁷ *Myers v. Martin (In re Martin)*, 91 F.3d 389, 393 (3d Cir. 1996) (quoting 9 COLLIER ON BANKR. ¶ 9019.03[1] (15th ed. Rev. 1993)) (internal quotation marks omitted).

²⁸ FED. R. BANKR. 9019.

²⁹ FED. R. BANKR. P. 9019(a).

³⁰ *Official Comm. of Unsecured Creditors v. Cajun Elec. Power Coop., Inc. (In re Cajun Elec. Power Coop., Inc.)*, 119 F.3d 349, 355 (5th Cir. 1997); *Conn. Gen. Life Ins. Co v. United Cos. Fin. Corp. (In re Foster Mortg. Corp.)*, 68 F.3d 914, 917 (5th Cir. 1995).

³¹ 11 U.S.C. § 105(a).

25. Approval of a proposed compromise is left to the sound discretion of the reviewing court.³² The burden of establishing the fairness of a compromise rests on the proponent of the compromise; however, a debtor-in-possession is not required to present a full mini-trial or evidentiary hearing to adjudicate the issues being settled.³³ Rather, when determining whether to approve a compromise, the court “is not to decide the numerous questions of law and fact raised” by the compromise but is “to canvass the issues and see whether the settlement falls below the lowest point in the range of reasonableness.”³⁴

26. In determining whether a proposed compromise is fair and equitable, a court should consider the following factors:

- a. The probability of ultimate success should the claim be litigated;
- b. An educated estimate of: (i) the complexity, expense, and likely duration of such litigation; (ii) possible difficulties of collecting on any judgment which might be obtained; and (iii) all other factors relevant to a full and fair assessment of the wisdom of the proposed compromise; and
- c. The comparison of the terms of the settlement and compromise with the likely rewards of litigation, including: (i) uncertainties of fact and law which impact the probability of success in the litigation; and (ii) delay and inconvenience which impact the complexity or duration of the litigation.³⁵

³² See, e.g., *In re Hibbard Brown & Co., Inc.*, 217 B.R. 41 (Bankr. S.D.N.Y. 1998) (noting that courts should exercise their discretion “in light of the general public policy favoring settlements”).

³³ See *Spark Factor Design, Inc. v. Hjelmeset (In re Open Med. Inst.)*, 639 B.R. 169, 180 (9th B.A.P. 2022); *In re Purofied Down Prods. Corp.*, 150 B.R. 519, 522 (S.D.N.Y. 1993) (noting that the court “need not conduct a ‘mini-trial’ to determine the merits of the underlying litigation” being settled).

³⁴ *ARS Brook, LLC v. Jalbert (In re ServiSense.com, Inc.)*, 382 F.3d 68, 71-72 (1st Cir. 2004); see *Vaughn v. Drexel Burnham Lambert Group, Inc. (In re Drexel Burnham Lambert Group, Inc.)*, 134 B.R. 499, 505 (Bankr. S.D.N.Y. 1991).

³⁵ See *Protective Comm. for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson (In re TMT Trailer Ferry, Inc.)*, 390 U.S. 414, 424-25 (1968); *Rivercity v. Herpel (In re Jackson Brewing Co.)*, 624 F.2d 599, 602-03 (5th Cir. 1980) (decided under the Bankruptcy Act).

27. The Debtor submits that the terms of the proposed Settlement Agreements satisfy the requirements established by the Supreme Court in *TMT Trailer Ferry*, as expanded upon by *Jackson Brewing*. Absent settlement, the Debtor would be required to engage in complicated, multi-party litigation, some of which is already ongoing.³⁶ The Settlement Agreements resolve these issues efficiently and conclusively.

28. Approval and consummation of the Settlement Agreements are also a critical step in enabling the Debtor to realize the full economic value contemplated under the Executed Lot 2 APA. The Executed Lot 2 APA requires TexOil to pay to the estate cash at closing in the amount of \$12,992,000, which together with the deposit in the amount of \$3,248,000 already paid by TexOil to the estate upon execution, guaranteed that the Debtor would receive at least \$16,240,000 in aggregate cash consideration upon the establishment of Clear Title to disputed third-party working interests through Cleared Interest Payments. By resolving disputed working interest claims and delivering Clear Title in accordance with the Executed Lot 2 APA, approval of the Settlement Agreements allows the Debtor to receive the Guaranteed Minimum Payment of \$16,240,000 at closing (which is 50% of the total Purchase Price amount of \$32,480,000), rather than risking that the Debtor may recover less than \$16,240,000 (even \$0) through seeking to resolve disputed working interests claims over time after the closing in accordance with the Executed Lot 2 APA.

29. The Settlement Agreements are a fair resolution of the Settling Purported WIOs' claims because under the proposed terms the Debtor is incurring only nominal cash payments while enabling the receipt of the Guaranteed Minimum Payment. Overall, the Settlement

³⁶ See *0078HT, et al. v. Barrow Shaver Resources Company, LLC*, Adv. No. 25-03618 (Bankr. S.D. Tex.) (lawsuit alleging working interests in the Debtor's leasehold interests in the Hidden Rock Field).

Agreements are in the best interest of the estate in many ways because they (i) eliminate litigation risk; (ii) clear title to sold assets; (iii) enable payment of the Guaranteed Minimum Payment to the Debtor by closing; and (iv) require no allowance of claims against the estate as to the purported working interests. The BMW and 0078HT Settlement Agreements further benefit the estate by fixing their disputed rejection damages claim as to the JOA and their EAs.

30. Further, approval of this Motion and the terms of the Settlement Agreements do not disturb the Sale Order nor the priority requirements of the Bankruptcy Code. Any valid, perfected, and non-avoidable liens, claims, interests, and encumbrances attach to the proceeds of the sale transactions—including the Guaranteed Minimum Payment—with the same validity, priority, and extent as they attached to the underlying assets prior to the sale transactions.³⁷ The Settlement Agreements do not alter, impair, subordinate, or enhance any creditor's lien rights or entitlement to distributions. Rather, they serve only to resolve disputed third-party ownership and alleged working interest claims so that the applicable proceeds may be released and administered in accordance with the Bankruptcy Code, the Sale Order, and any further orders of this Court. Accordingly, approval of the Settlement Agreements will not adversely affect creditor recoveries and preserves the relative rights of all parties in interest as they existed prior to entry of the Settlement Agreements.³⁸

³⁷ See Sale Order, ¶¶ AA, 17, and 22, pp. 13, 24, 26. As ordered by this Court in the Sale Order, the Debtor's assets were sold free and clear of any and all liens, claims, interests, and encumbrances in accordance with section 363(f) of the Bankruptcy Code, with any such liens, claims, interests, and encumbrances attaching to the proceeds of the sale transactions.

³⁸ For the avoidance of doubt, nothing contained in this Motion should be construed as an admission or waiver in regard to the priority, validity, enforceability, extent, or perfection of any liens, claims, interests, and encumbrances. The Debtor reserves all rights to object to the priority, validity, enforceability, extent, or perfection of any liens, claims, interests, and encumbrances. The Debtor does not intend for any alleged holder of liens, claims, interests, or encumbrances to need to file an objection to the Motion to reserve any rights.

31. Each Settlement Agreement was negotiated at arms-length among parties with counsel. Considering all the circumstances, the consensual resolution of claims by and among the Parties is in the best interest of creditors and the estate. In light of these considerations, the proposed compromise falls well within the range of reasonableness and meets the standards of *TMT Trailer Ferry*, *Jackson Brewing*, and other applicable law. The foregoing particularly weighs in favor of the approval of the compromise and settlement in light of the practical reality that “compromises are ‘a normal part of reorganization,’ . . . oftentimes desirable and wise methods of bringing to a close proceedings [that are] otherwise lengthy, complicated and costly.”³⁹

EMERGENCY CONSIDERATION

32. Pursuant to Local Rule 9013-1(i), the Debtor respectfully requests emergency consideration of this Motion to expeditiously proceed towards the closing of the sale transactions. Due to circumstances surrounding the sales transactions, time is of the essence for TexOil to obtain ownership of the Cleared Interests and approval of the Settlement Agreements allows the Debtor to obtain the Guaranteed Minimum Payment.

WHEREFORE, based upon the foregoing, the Debtor respectfully requests that the Court enter the Proposed Order, approving the Settlement Agreements in all respects, and grant such other and further relief as the Court may deem just and proper.

[Continues on Next Page]

³⁹*Jackson Brewing*, 624 F.2d at 602 (quoting *Case v. Los Angeles Lumber Prods. Co.*, 308 U.S. 106, 130 (1939) (citing *Florida Trailer and Equipment Co. v. Deal*, 284 F.2d 567, 571 (5th Cir. 1960))).

Dated: April 29, 2026

Respectfully Submitted,

/s/ Joseph E. Bain

Joseph E. Bain (TX Bar No. 24085187)
Sean T. Wilson (TX Bar No. 24077962)
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Counsel to the Debtor and Debtor-in-Possession

CERTIFICATE OF SERVICE

I certify that on April 29, 2026, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas on those parties required to receive service pursuant to the Bankruptcy Rules.

/s/ Joseph E. Bain

Joseph E. Bain

CERTIFICATE OF ACCURACY PURSUANT TO LOCAL RULE 9013-1(I)

I hereby certify that the factual statements made in the foregoing Motion are accurate to the best of my knowledge.

/s/ Joseph E. Bain

Joseph E. Bain

TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Description</u>
A	Proposed Order
B-1	RB Oil / TexOil / BSR Settlement Agreement
B-2	Cunningham / TexOil / BSR Settlement Agreement
B-3	Murphy / TexOil / BSR Settlement Agreement
B-4	BMW / TexOil / BSR Settlement Agreement
B-5	0078HT / TexOil / BSR Settlement Agreement
C	Executed Lot 2 APA

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
	§	
Barrow Shaver Resources Company LLC, ¹	§	Case No. 24-33353
	§	
	§	
Debtor.	§	

**ORDER GRANTING DEBTOR'S EMERGENCY MOTION TO APPROVE
COMPROMISE AND SETTLEMENTS BY AND AMONG THE DEBTOR, TEXOIL
INVESTMENTS, LLC, TEXOIL ET, LLC, AND SETTTLING PURPORTED WORKING
INTEREST OWNERS PURSUANT TO FED. R. BANKR. P. 9019(A)**

Upon consideration of the *Debtor's Emergency Motion to Approve Compromise and Settlements by and Among the Debtor, TexOil Investments, LLC, TexOil ET, LLC, and Settling Purported Working Interest Owners Pursuant to Fed. R. Bankr. P. 9019(a)* (the "**Motion**")², this Court having reviewed the Motion; this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; this Court having found this is a core proceeding under 28 U.S.C. § 157(b)(2); this Court having found it may enter a final order consistent with Article III of the United States Constitution; this Court having found that venue of this proceeding and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409; this Court having found that the Debtor's notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; this Court having reviewed the Motion; this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief

¹ The last four digits of the Debtor's federal tax identification number are 0510. The Debtor's corporate headquarters is located at 977 Pruitt Place, Tyler, TX 75703. All pleadings, as well as additional information related to the administration of the above-captioned bankruptcy case, are accessible free of charge on the case website at the following link: <https://cases.ra.kroll.com/BSR/>.

² Capitalized terms used herein but not otherwise defined have the meaning ascribed to such terms in the Motion.

granted herein; no objections to the Motion having been filed or such objections are overruled following the hearing on the Motion; and after due deliberation and sufficient cause appearing therefore, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The Settlement Agreements, attached as **Exhibits B-1 through B-5** to the Motion, are approved pursuant to Bankruptcy Rule 9019 and section 105(a) of the Bankruptcy Code.
3. The Debtor is authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion and the terms of the Settlement Agreements.
4. The Debtor is authorized to direct Kroll Restructuring Administration LLC, the court-appointed claims, noticing, and solicitation agent, to modify the official claims register to reflect the terms of the Settlement Agreements and this Order, without the necessity of the Settling Purported WIOs filing an amended proof of claim, request for withdrawal, or any other claim-related legal proceeding arising out of or related to the Settlement Agreements, and without any further notice to, action by, order of, or approval of the Court.
5. For avoidance of doubt, any valid, perfected, and non-avoidable liens, claims, interests, and encumbrances attach to the proceeds of the sale transactions—including the Guaranteed Minimum Payment.
6. The Settlement Agreements shall be binding upon the Debtor, TexOil, and the Settling Purported WIOs³ along with their subsidiaries, affiliated companies, parent companies, permit transferees, heirs, administrators, representatives, executors, successors, and assigns.

³ The Settling Purported WIOs shall mean 0078HT LLC; BMW Investments, LP; Mike Murphy; RB Oil, LLC; and Wayne and Kathleen Cunningham.

7. Any applicable fourteen-day stay as provided in the Bankruptcy Rules is hereby expressly waived and shall not apply to this Order.

8. This Court retains jurisdiction over the Settlement Agreements and Motion with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Signed: _____, 2026

ALFREDO R. PÉREZ
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B-1

RB Oil / TexOil / BSR Settlement Agreement

CONFIDENTIAL SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Confidential Settlement Agreement and General Release (“**Agreement**”), dated as of 4/26/2026, is entered into by and among RB Oil, LLC (the “**Settling Party**”), Barrow Shaver Resources Company, LLC (“**BSR**” or “**Debtor**”), and TexOil ET, LLC and TexOil Investments, LLC (together, “**TexOil**” and collectively with BSR and the Settling Party, the “**Parties**” hereto and each a “**Party**”).

RECITALS

WHEREAS, BSR is a debtor-in-possession pursuant to sections 1107(a) and 1108 of the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.* in the chapter 11 bankruptcy case captioned as *In re Barrow Shaver Resources Company, LLC*, Case No. 24-33353 (the “**Bankruptcy Case**”), in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “**Bankruptcy Court**”);

WHEREAS, BSR and Settling Party have certain disputes concerning purported non-operating working interests as detailed in Exhibit A attached hereto (the “**Subject Interests**”);

WHEREAS, the Bankruptcy Court, on November 19, 2025, entered its *Order Granting Debtor’s Emergency Motion for Entry of an Order (I) Approving the Sale of the Substantial Majority of the Debtor’s Assets to TexOil Investments, LLC, (II) Authorizing the Debtor to Entry into the TexOil Asset Purchase Agreements, (III) Approving the Sale of the Assets Free and Clear of Claims, Liens, Interests, and Encumbrances, (IV) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases as set forth in the TexOil Asset Purchase Agreements, and (V) Granting Related Relief* as Docket No. 972 in the Bankruptcy Case (the “**Sale Order**”);

WHEREAS, the Sale Order authorizes, pursuant to sections 105(a), 363(b), 363(f), 365(b), and 365(f) of the Bankruptcy Code, upon the Closing Date (as defined in the Sale Order) of each TexOil Asset Purchase Agreement (as defined in the Sale Order but including the Lot 2 APA (as defined below)) and pursuant to and except as otherwise set forth in the TexOil Asset Purchase Agreements, the Debtor’s right, title, and interest in the Assets (as defined in the Sale Order but including the Assets transferred pursuant to the Lot 2 APA) will be transferred to TexOil free and clear of all liens, claims, encumbrances, obligations or liabilities;¹

WHEREAS, as authorized pursuant to the Sale Order, TexOil and BSR have entered into that certain *Asset Purchase Agreement (Lot 2)*, dated as of January 23, 2026, by and between Barrow Shaver Resources Company, LLC, as Seller, and TexOil Investments, LLC, as Buyer (the “**Lot 2 APA**”), providing for, among other things, the payment of transaction consideration to BSR pursuant to a structured payout arrangement that is tied to the transfer and sale of certain Assets (as defined in the Lot 2 APA) that were subject to adverse claims, including the Subject Interests;

WHEREAS, the Bankruptcy Court, on January 28, 2026, entered an *Order Granting Debtor’s Motion for Entry of an Order (I) Authorizing and Approving Procedures for Settling Causes of Action Related to the TexOil Asset Purchase Agreement for Lot 2 and (II) Granting Related Relief* (the “**Settlement Procedures Order**”) at Docket No. 1055, whereby the Bankruptcy Court authorized BSR to enter into this Agreement subject to certain “**Settlement Procedures**” (as such term is defined in the Settlement Procedures Order);

¹ Sale Order at 20 ¶ 9 (subject to certain limitations as specifically provided in the TexOil Asset Purchase Agreements and the Sale Order but such limitations not being relevant for purposes of this Agreement).

WHEREAS, Settling Party has been provided a copy of the Settlement Procedures Order that describes the Settlement Procedures;

WHEREAS, the Parties recognize that this Agreement deviates in certain respects from the Form Settlement Agreement (as such term is defined in the Settlement Procedures Order) and, as such, any agreement on the part of the Debtor is conditioned on and subject to an order approving this Agreement by the Bankruptcy Court (the “**Approval Order**”) pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedures (the “**Bankruptcy Rules**”);

WHEREAS, the Settling Party asserted a claim against BSR in the Bankruptcy Case (the “**Settling Party Claim**”), which the Debtor disputes in certain aspects;

WHEREAS, the Parties desire to avoid any further expense, time, effort, and uncertainty with regard to any dispute pertaining to the Subject Interests; and

WHEREAS, the Parties desire to enter into this Agreement to settle and resolve all disputes pertaining to the Subject Interests;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and undertakings contained within this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereto, intending to be bound hereby, agree to the following terms and conditions as a full and complete settlement of these disputes:

1. **Settlement Amount.** BSR shall pay to the Settling Party the sum of \$100.00 (the “**Settlement Amount**”) in exchange for (a) the Settling Party’s filing of the Dismissal (as defined below), (b) the Settling Party’s disclaimer, withdrawal and release of claims as described in paragraph 2.a. below, and (c) the Settling Party, to the extent it has any interest in the Subject Interests, transferring such interest to BSR; *provided that*, BSR and the Settling Party acknowledge

and agree that (i) the issue of whether the Settling Party owns the Subject Interests is a disputed factual and legal issue between BSR and the Settling Party (a “**Disputed Issue**”); (ii) by entering into this Agreement, BSR does not stipulate to, agree with, acquiesce in, consent to, concur with, or otherwise assent to the position that the Settling Party owns the Subject Interests, but (iii) BSR and the Settling Party choose to enter into this Agreement to avoid the costs of litigating the Disputed Issue.

2. **Payment Date.** Pursuant to the Lot 2 APA, TexOil and BSR shall jointly instruct the Escrow Agent (as defined in the Lot 2 APA) to release from the Third Party Claimed Interest Escrow Account (as defined in the Lot 2 APA) funds in the amount of the Settlement Amount to BSR, and BSR shall wire such funds to the Settling Party in accordance with the wire instructions to be provided by the Settling Party within three (3) business days of the later of (i) the date that the Approval Order becomes a final, non-appealable order, (ii) BSR’s receipt of payment instructions from the Settling Party and a fully-completed Form W-9 from the Settling Party, or (iii) the closing of the transactions (the “**Closing**”) contemplated by the Lot 2 APA (such date upon which such Settlement Amount is paid being the “**Payment Date**”).

- a. Upon its receipt of the Settlement Amount, the Settling Party shall be deemed to have disclaimed, withdrawn, and otherwise released any claim, whether past, present or future, now known or unknown, that the Settling Party has as to the Subject Interests. The Settling Party shall file a stipulation or motion seeking to dismiss, withdraw, or nonsuit (as applicable) with prejudice of any pending matters or litigation that it commenced concerning the Subject Interests within three (3) business days of receipt of the Settlement Amount (collectively, the “**Dismissal**”).

- b. The Parties acknowledge that by virtue of the Parties' entry into this Agreement and BSR's payment of the Settlement Amount to the Settling Party pursuant to satisfaction of paragraph 2.a. above, the Subject Interests shall become Cleared Interests (as defined in the Lot 2 APA) pursuant to the terms of the Lot 2 APA and the Sale Order. Accordingly, within five (5) days after the later of (i) the Payment Date or (ii) to the extent applicable, the Settling Party's filing of the Dismissal, TexOil and BSR shall jointly instruct the Escrow Agent to release to TexOil from the Third Party Claimed Interest Escrow Account cash in the amount of the Cleared Interest Payment for such Cleared Interests, *less* the Settlement Amount. BSR acknowledges that, notwithstanding any provision contained in the Lot 2 APA, the related escrow agreement with the Escrow Agent (the "**Escrow Agreement**"), or any other agreement entered into between BSR and TexOil to the contrary, BSR at the Closing of the transactions contemplated by the Lot 2 APA shall receive compensation for the Subject Interests from TexOil pursuant to the Purchase Price Floor paid by TexOil to BSR as provided in the Lot 2 APA, and BSR shall not receive any additional compensation from TexOil for the Subject Interests, including any funds from the Third Party Claimed Interest Escrow Account. In addition, BSR shall convey such Cleared Interests to TexOil pursuant to the Assignment and Bill of Sale in the form attached to the Lot 2 APA.
3. **Purchased Interests.** TexOil shall sell to the Settling Party, free and clear of any interests, liens, claims, or encumbrances, the following (hereafter referred to as the "**Purchased**

Interests’): the non-operating working interests in the properties as described in Exhibit A² which, for the avoidance of doubt, shall include the same percentage working interest in all existing and future oil and gas leases owned by BSR and/or TexOil in the area referred to as the Hidden Rock Field, which is in Morris, Cass, Upshur, and Camp Counties, Texas. As consideration for the Purchased Interests, the Settling Party shall pay TexOil the sum (the “**Purchased Interests Consideration**”) set forth in that certain Term Sheet entered into between Settling Party and TexOil dated March 5, 2026. Within three (3) business days of the date this Agreement is signed by all Parties, the Settling Party shall deposit the Purchased Interests Consideration into an Attorney Trust Account at the law firm of Jones, Allen and Fuquay LLP in Dallas, Texas (“**JAF**”). The Purchased Interests Consideration shall be released from JAF and transferred to TexOil in accordance with the wire instructions to be provided by TexOil within three (3) business days of the Payment Date. TexOil shall transfer and assign the Purchased Interests within three (3) business days of receipt of the Purchased Interests Consideration and provide the necessary support to allow the Settling Party to validate/record the Purchased Interests.

4. **Working Interests Payments.** Within thirty (30) days of the Payment Date, the Settling Party shall be (i) paid by TexOil for all unpaid revenue attributable to the Subject Interests through the Payment Date (the “**Unpaid Revenue**”) and (ii) provided by TexOil with any JIB Statement and/or other support to reasonably corroborate the amount of the Unpaid Revenue.

5. **New JOA.** Upon BSR’s rejection of the (i) *Exploration Agreement*, with BSR as operator, dated December 22, 2017 and (ii) *Operating Agreement*, with BSR as operator, dated December 1, 2017, the Settling Party agrees to accept any joint operating agreement (“**JOA**”) for

² For the avoidance of doubt, Exhibit A refers to both the Subject Interests and the Purchased Interests.

the Hidden Rock Field that is presented by TexOil as long as such JOA provides that all net revenue interests applicable to TexOil and the Settling Party are the same based on each Party's respective proportional ownership percentage.

6. **Rule 9019 Motion.** The Parties agree BSR shall file a motion (the "**Rule 9019 Motion**") with the Bankruptcy Court seeking approval of this Agreement. For the avoidance of doubt, no Party shall be bound or obligated by any term of this Agreement unless and until the Bankruptcy Court enters the Approval Order and such Approval Order becomes a final, non-appealable order.

7. **Confidentiality.** All Parties hereto agree to keep (i) the amount of the Purchase Interests Consideration and (ii) any reference to Schedule 3.3(a) of the Lot 2 APA (collectively, such terms as referred to in romanettes (i) and (ii) collectively being the "**Confidential Terms**" and each a "**Confidential Term**") shall be kept strictly confidential according to the terms set forth in Settlement Procedures Order except that (a) the Debtor may disclose the Confidential Terms to the Notice Parties (as such term is defined in the Settlement Procedures Order) so long as each such Notice Party confirms in writing (email confirmation being acceptable) that such Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (b) the Debtor may disclose the Confidential Terms to other parties with TexOil's written consent (email consent being acceptable) so long as each recipient confirms in writing (email confirmation being acceptable) that such Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (c) the Debtor may disclose the Confidential Terms to the Bankruptcy Court and such other parties that the Bankruptcy Court may

direct, and (d) the Debtor may disclose the Confidential Terms according to the below provision captioned “Court Approval”.

8. **Jurisdiction.** All Parties agree to the sole and exclusive jurisdiction of the Bankruptcy Court for purposes of enforcing the terms of this Agreement and resolving any disputes arising therefrom.

9. **Releases Between the Settling Party and BSR.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge BSR, and each of BSR’s predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have or may have had at any time, as of the Payment Date, whether now known or unknown. In consideration of the agreements contained within this Agreement, BSR, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party’s predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that BSR has, may have or may have had at any time as of the Payment Date, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

10. **Releases Between the Settling Party and TexOil.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby

unconditionally and irrevocably release, remise and forever discharge TexOil, and each of TexOil's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have in the future, or may have had at any time as of the Payment Date, whether now known or unknown. In consideration of the agreements contained within this Agreement, TexOil, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that TexOil has, may have or may have had at any time as of the Bankruptcy Court's approval of this agreement, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

11. **Successors.** This Agreement shall be binding upon and inure to the benefit of the Parties, and all persons, firms, or legal entities herein released, and their respective successors and assigns, including, but not limited to, any successor trustee or administrator appointed in the Bankruptcy Case.

12. **Further Assurances.** Each Party agrees to take all reasonable steps necessary to effectuate the terms of this Agreement.

13. **Choice of Law.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas, without regard to conflicts of law principles. If any provision of the Agreement shall be deemed unenforceable for any reason, the Parties agree that the unenforceability of said provision shall not affect the enforceability of the Agreement as a whole.

14. **Venue.** Any disputes concerning this Agreement shall be brought in the Bankruptcy Court, or, if the Bankruptcy Case is closed, in a court of competent jurisdiction in Harris County, Texas.

15. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes. This Agreement shall become binding after it has been signed on behalf of each of the Parties to this Agreement, and it shall be deemed to have an effective date as of the end of the day on which the last signature has been affixed to this Agreement.

16. **Captions.** The captions contained in this Agreement are for guiding the reader only and are neither meant to confer any substantive rights or obligations nor modify in any way any portion of the text of paragraphs that they precede or of this Agreement in general.

17. **Amendments.** No amendment or variation of the terms or provisions of this Agreement shall be valid unless made in writing and signed by each of the Parties hereto.

18. **Entire Agreement.** This Agreement is an integrated agreement, containing the entire understanding among the Parties regarding the matters addressed herein. No representation, warranties, promises, inducements or other agreements have been made or relied upon by the Parties to this Agreement. This Agreement shall prevail over prior communications among the Parties regarding the matters contained herein.

19. **Court Approval.** Notwithstanding anything herein to the contrary, the Parties recognize that the obligations on the part of the Debtor set forth in this Agreement are conditioned on and subject to Bankruptcy Court approval pursuant to Bankruptcy Rule 9019. The Parties agree to work in good faith to secure approval of this Agreement from the Bankruptcy Court and to not take any action adverse to actions on the part of the Debtor to secure such approval.

Notwithstanding anything herein to the contrary, the Debtor may refer to this Agreement in any pleading filed in the Bankruptcy Court or in any proceeding relating to the Bankruptcy Case so long as, to the extent the Debtor refers to any Confidential Term, the Debtor seeks to have such information filed under seal

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

RB OIL, LLC

Signed by:
 By: Stan Carrese
 Name: Stan Carrese
 Title: Auth. Representative

BARROW SHAVER RESOURCES COMPANY, LLC

DocuSigned by:
 By: James Katchadurian
 Name: James A. Katchadurian
 Title: Chief Restructuring Officer

TEXOIL ET, LLC

Signed by:
 By: Robert Gunby
 Name: Robert Gunby
 Title: CEO

TEXOIL INVESTMENTS, LLC

Signed by:
 By: Robert Gunby
 Name: Robert Gunby
 Title: CEO

Exhibit A

RB Oil, Inc.

DS
JKInitial
RGInitial
RG

Well Name	Owner Name	WI [%]	NRI [%]	Gross FNI	Gross Disc FNI	Net Disc. FNI
*HR TERRY 100	RB Oil, LLC	0.969%	0.646%	55.81	48.36	4.05
*LE ASHLEY 2022-3	RB Oil, LLC	0.969%	0.863%	294.18	222.68	18.64
AYERS-HUMPHREY 1H*	RB Oil, LLC	3.833%	2.952%	2,030.80	1,220.73	103.98
AYERS-KEASLER 1H*	RB Oil, LLC	3.742%	2.881%	4,592.21	2,857.67	263.66
GOODE-MCMAHAN 1H*	RB Oil, LLC	3.833%	2.952%	4,231.30	2,829.11	224.36
HAYS-CAMPBELL 1H*	RB Oil, LLC	3.833%	2.952%	4,794.10	3,108.87	246.55
HAYS-GLOVER 1H*	RB Oil, LLC	3.833%	2.952%	5,870.55	4,143.22	354.38
HR ALLEN 2024-3	RB Oil, LLC	3.833%	2.952%	101.25	89.06	7.62
HR ANDERSON 2023-4	RB Oil, LLC	3.833%	2.952%	226.64	197.38	15.13
HR BRAY 2023-6	RB Oil, LLC	3.833%	2.952%	518.49	416.61	30.78
HR DIAMOND 2024-1	RB Oil, LLC	3.833%	2.952%	524.95	405.78	34.71
HR DOWNS 2019-1	RB Oil, LLC	3.833%	2.952%	117.14	84.37	15.47
HR EMMA 2024-2	RB Oil, LLC	3.833%	2.952%	2,096.90	1,298.95	111.10
HR FOREST 2023-1	RB Oil, LLC	3.833%	2.952%	55.75	51.97	4.45
HR GOODHART 2023-7	RB Oil, LLC	3.833%	2.952%	726.83	570.01	46.82
HR GRUBBS 2022-3	RB Oil, LLC	3.833%	2.952%	209.89	185.18	16.13
HR HILL 2024-1	RB Oil, LLC	3.833%	2.952%	292.78	237.62	20.32
HR JAMES 2023-7A	RB Oil, LLC	3.833%	2.952%	673.64	518.33	31.79
HR JENKINS 2019-1	RB Oil, LLC	3.833%	2.952%	62.51	47.80	8.77
HR JOHNSON 2024-3	RB Oil, LLC	3.833%	2.952%	1,639.16	1,299.15	71.14
HR KERR 2022-3	RB Oil, LLC	3.833%	2.952%	177.97	156.63	13.64
HR LANTZ 2024-1	RB Oil, LLC	3.833%	2.952%	621.43	487.78	26.71
HR MITCHELL 2023-15	RB Oil, LLC	3.833%	2.952%	813.34	619.17	52.96
HR MOORE 2024-4	RB Oil, LLC	3.833%	2.952%	-	-	
HR OWENS 2023-3 - 1	RB Oil, LLC	3.833%	2.952%	686.34	533.51	52.47
HR PAIGE 2023-12	RB Oil, LLC	3.833%	2.952%	325.86	209.97	17.96
HR POLLAN 2019-1	RB Oil, LLC	3.833%	2.952%	119.76	88.98	16.32
HR QUARLES 2019-1	RB Oil, LLC	3.833%	2.952%	1,818.55	1,198.34	104.39
HR RHYNE 2023-5	RB Oil, LLC	3.833%	2.952%	603.47	411.96	32.56
HR STURDIVANT 2023-4	RB Oil, LLC	3.833%	2.952%	224.10	177.35	16.32
HR TEMPLETON 2024-3	RB Oil, LLC	3.833%	2.952%	127.26	118.33	6.48
HR THORTON 2023-1	RB Oil, LLC	3.833%	2.952%	44.03	41.39	2.55
HR WATSON 2019-1	RB Oil, LLC	3.833%	2.952%	1,876.50	1,192.97	103.92
HR WINNIE 2023-1	RB Oil, LLC	3.833%	2.952%	145.43	132.35	8.14
MANNING-FOSTER 1H*	RB Oil, LLC	3.833%	2.952%	3,303.43	2,000.17	171.08
MANNING-KESSLER 1H*	RB Oil, LLC	3.833%	2.952%	564.68	449.50	46.57
MCD 2024-B	RB Oil, LLC	3.833%	2.952%	2,170.97	1,667.23	121.24
MCFARLANE-ALFORD 1H*	RB Oil, LLC	3.833%	2.952%	6,370.20	4,000.65	328.59
TEMPLETON-BRIDGE 1H*	RB Oil, LLC	3.833%	2.952%	5,548.13	3,463.82	351.14
TEMPLETON-GOODSON 1H*	RB Oil, LLC	3.833%	2.952%	4,669.41	2,687.66	171.58
WILMETH-WREN 1H*	RB Oil, LLC	3.833%	2.952%	250.72	221.63	12.39

EXHIBIT B-2

Cunningham / TexOil / BSR Settlement Agreement

CONFIDENTIAL SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Confidential Settlement Agreement and General Release (**“Agreement”**), dated as of 4/28/2026, is entered into by and among Wayne T. and Kathleen V. Cunningham 1997 Revocable Trust Dated 03/27/97 (the **“Settling Party”**), Barrow Shaver Resources Company, LLC (**“BSR”** or **“Debtor”**), and TexOil ET, LLC and TexOil Investments, LLC (together, **“TexOil”** and collectively with BSR and the Settling Party, the **“Parties”** hereto and each a **“Party”**).

RECITALS

WHEREAS, BSR is a debtor-in-possession pursuant to sections 1107(a) and 1108 of the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.* in the chapter 11 bankruptcy case captioned as In re Barrow Shaver Resources Company, LLC, Case No. 24-33353 (the **“Bankruptcy Case”**), in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the **“Bankruptcy Court”**);

WHEREAS, BSR and Settling Party have certain disputes concerning purported non-operating working interests as detailed in Exhibit A attached hereto (the **“Subject Interests”**);

WHEREAS, the Bankruptcy Court, on November 19, 2025, entered its *Order Granting Debtor’s Emergency Motion for Entry of an Order (I) Approving the Sale of the Substantial Majority of the Debtor’s Assets to TexOil Investments, LLC, (II) Authorizing the Debtor to Entry into the TexOil Asset Purchase Agreements, (III) Approving the Sale of the Assets Free and Clear of Claims, Liens, Interests, and Encumbrances, (IV) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases as set forth in the TexOil Asset Purchase Agreements, and (V) Granting Related Relief* as Docket No. 972 in the Bankruptcy Case (the **“Sale Order”**);

WHEREAS, the Sale Order authorizes, pursuant to sections 105(a), 363(b), 363(f), 365(b), and 365(f) of the Bankruptcy Code, upon the Closing Date (as defined in the Sale Order) of each TexOil Asset Purchase Agreement (as defined in the Sale Order but including the Lot 2 APA (as defined below)) and pursuant to and except as otherwise set forth in the TexOil Asset Purchase Agreements, the Debtor's right, title, and interest in the Assets (as defined in the Sale Order but including the Assets transferred pursuant to the Lot 2 APA) will be transferred to TexOil free and clear of all liens, claims, encumbrances, obligations or liabilities;¹

WHEREAS, as authorized pursuant to the Sale Order, TexOil and BSR have entered into that certain *Asset Purchase Agreement (Lot 2)*, dated as of January 23, 2026, by and between *Barrow Shaver Resources Company, LLC, as Seller, and TexOil Investments, LLC, as Buyer* (the "**Lot 2 APA**"), providing for, among other things, the payment of transaction consideration to BSR pursuant to a structured payout arrangement that is tied to the transfer and sale of certain Assets (as defined in the Lot 2 APA) that were subject to adverse claims, including the Subject Interests;

WHEREAS, the Bankruptcy Court, on January 28, 2026, entered an *Order Granting Debtor's Motion for Entry of an Order (I) Authorizing and Approving Procedures for Settling Causes of Action Related to the TexOil Asset Purchase Agreement for Lot 2 and (II) Granting Related Relief* (the "**Settlement Procedures Order**") at Docket No. 1055, whereby the Bankruptcy Court authorized BSR to enter into this Agreement subject to certain "**Settlement Procedures**" (as such term is defined in the Settlement Procedures Order);

¹ Sale Order at 20 ¶ 9 (subject to certain limitations as specifically provided in the TexOil Asset Purchase Agreements and the Sale Order but such limitations not being relevant for purposes of this Agreement).

WHEREAS, Settling Party has been provided a copy of the Settlement Procedures Order that describes the Settlement Procedures;

WHEREAS, the Parties recognize that this Agreement deviates in certain respects from the Form Settlement Agreement (as such term is defined in the Settlement Procedures Order) and, as such, any agreement on the part of the Debtor is conditioned on and subject to an order approving this Agreement by the Bankruptcy Court (the “**Approval Order**”) pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedures (the “**Bankruptcy Rules**”);

WHEREAS, the Settling Party asserted a claim against BSR in the Bankruptcy Case (the “**Settling Party Claim**”), which the Debtor disputes in certain aspects;

WHEREAS, the Parties desire to avoid any further expense, time, effort, and uncertainty with regard to any dispute pertaining to the Subject Interests; and

WHEREAS, the Parties desire to enter into this Agreement to settle and resolve all disputes pertaining to the Subject Interests;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and undertakings contained within this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereto, intending to be bound hereby, agree to the following terms and conditions as a full and complete settlement of these disputes:

1. **Settlement Amount.** BSR shall pay to the Settling Party the sum of \$100.00 (the “**Settlement Amount**”) in exchange for (a) the Settling Party’s filing of the Dismissal (as defined below), (b) the Settling Party’s disclaimer, withdrawal and release of claims as described in paragraph 2.a. below, and (c) the Settling Party, to the extent it has any interest in the Subject Interests, transferring such interest to BSR; *provided that*, BSR and the Settling Party acknowledge

and agree that (i) the issue of whether the Settling Party owns the Subject Interests is a disputed factual and legal issue between BSR and the Settling Party (a “**Disputed Issue**”); (ii) by entering into this Agreement, BSR does not stipulate to, agree with, acquiesce in, consent to, concur with, or otherwise assent to the position that the Settling Party owns the Subject Interests, but (iii) BSR and the Settling Party choose to enter into this Agreement to avoid the costs of litigating the Disputed Issue.

2. **Payment Date.** Pursuant to the Lot 2 APA, TexOil and BSR shall jointly instruct the Escrow Agent (as defined in the Lot 2 APA) to release from the Third Party Claimed Interest Escrow Account (as defined in the Lot 2 APA) funds in the amount of the Settlement Amount to BSR, and BSR shall wire such funds to the Settling Party in accordance with the wire instructions to be provided by the Settling Party within three (3) business days of the later of (i) the date that the Approval Order becomes a final, non-appealable order, (ii) BSR’s receipt of payment instructions from the Settling Party and a fully-completed Form W-9 from the Settling Party, or (iii) the closing of the transactions (the “**Closing**”) contemplated by the Lot 2 APA (such date upon which such Settlement Amount is paid being the “**Payment Date**”).

- a. Upon its receipt of the Settlement Amount, the Settling Party shall be deemed to have disclaimed, withdrawn, and otherwise released any claim, whether past, present or future, now known or unknown, that the Settling Party has as to the Subject Interests. The Settling Party shall file a stipulation or motion seeking to dismiss, withdraw, or nonsuit (as applicable) with prejudice of any pending matters or litigation that it commenced concerning the Subject Interests within three (3) business days of receipt of the Settlement Amount (collectively, the “**Dismissal**”).

- b. The Parties acknowledge that by virtue of the Parties' entry into this Agreement and BSR's payment of the Settlement Amount to the Settling Party pursuant to satisfaction of paragraph 2.a. above, the Subject Interests shall become Cleared Interests (as defined in the Lot 2 APA) pursuant to the terms of the Lot 2 APA and the Sale Order. Accordingly, within five (5) days after the later of (i) the Payment Date or (ii) to the extent applicable, the Settling Party's filing of the Dismissal, TexOil and BSR shall jointly instruct the Escrow Agent to release to TexOil from the Third Party Claimed Interest Escrow Account cash in the amount of the Cleared Interest Payment for such Cleared Interests, *less* the Settlement Amount. BSR acknowledges that, notwithstanding any provision contained in the Lot 2 APA, the related escrow agreement with the Escrow Agent (the "**Escrow Agreement**"), or any other agreement entered into between BSR and TexOil to the contrary, BSR at the Closing of the transactions contemplated by the Lot 2 APA shall receive compensation for the Subject Interests from TexOil pursuant to the Purchase Price Floor paid by TexOil to BSR as provided in the Lot 2 APA, and BSR shall not receive any additional compensation from TexOil for the Subject Interests, including any funds from the Third Party Claimed Interest Escrow Account. In addition, BSR shall convey such Cleared Interests to TexOil pursuant to the Assignment and Bill of Sale in the form attached to the Lot 2 APA.
3. **Purchased Interests.** TexOil shall sell to the Settling Party, free and clear of any interests, liens, claims, or encumbrances, the following (hereafter referred to as the "**Purchased**

Interests’): the non-operating working interests in the properties as described in Exhibit A² which, for the avoidance of doubt, shall include the same percentage working interest in all existing and future oil and gas leases owned by BSR and/or TexOil in the area referred to as the Hidden Rock Field, which is in Morris, Cass, Upshur, and Camp Counties, Texas. As consideration for the Purchased Interests, the Settling Party shall pay TexOil the sum (the “**Purchased Interests Consideration**”) set forth in that certain Term Sheet entered into between Settling Party and TexOil dated April 24, 2026. Within three (3) business days of the date this Agreement is signed by all Parties, the Settling Party shall deposit the Purchased Interests Consideration into an Attorney Trust Account at the law firm of Jones, Allen and Fuquay LLP in Dallas, Texas (“**JAF**”). The Purchased Interests Consideration shall be released from JAF and transferred to TexOil in accordance with the wire instructions to be provided by TexOil within three (3) business days of the Payment Date. TexOil shall transfer and assign the Purchased Interests within three (3) business days of receipt of the Purchased Interests Consideration and provide the necessary support to allow the Settling Party to validate/record the Purchased Interests.

4. **Working Interests Payments.** Within thirty (30) days of the Payment Date, the Settling Party shall be (i) paid by TexOil for all unpaid revenue attributable to the Subject Interests through the Payment Date (the “**Unpaid Revenue**”) and (ii) provided by TexOil with any JIB Statement and/or other support to reasonably corroborate the amount of the Unpaid Revenue.

5. **New JOA.** Upon BSR’s rejection of the (i) *Exploration Agreement*, with BSR as operator, dated December 22, 2017 and (ii) *Operating Agreement*, with BSR as operator, dated December 1, 2017, the Settling Party agrees to accept any joint operating agreement (“**JOA**”) for

² For the avoidance of doubt, Exhibit A refers to both the Subject Interests and the Purchased Interests.

the Hidden Rock Field that is presented by TexOil as long as such JOA provides that all net revenue interests applicable to TexOil and the Settling Party are the same based on each Party's respective proportional ownership percentage.

6. **Rule 9019 Motion.** The Parties agree BSR shall file a motion (the "**Rule 9019 Motion**") with the Bankruptcy Court seeking approval of this Agreement. For the avoidance of doubt, no Party shall be bound or obligated by any term of this Agreement unless and until the Bankruptcy Court enters the Approval Order and such Approval Order becomes a final, non-appealable order.

7. **Confidentiality.** All Parties hereto agree to keep (i) the amount of the Purchase Interests Consideration and (ii) any reference to Schedule 3.3(a) of the Lot 2 APA (collectively, such terms as referred to in romanettes (i) and (ii) collectively being the "**Confidential Terms**" and each a "**Confidential Term**") shall be kept strictly confidential according to the terms set forth in Settlement Procedures Order except that (a) the Debtor may disclose the Confidential Terms to the Notice Parties (as such term is defined in the Settlement Procedures Order) so long as each such Notice Party confirms in writing (email confirmation being acceptable) that such Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (b) the Debtor may disclose the Confidential Terms to other parties with TexOil's written consent (email consent being acceptable) so long as each recipient confirms in writing (email confirmation being acceptable) that such Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (c) the Debtor may disclose the Confidential Terms to the Bankruptcy Court and such other parties that the Bankruptcy Court may

direct, and (d) the Debtor may disclose the Confidential Terms according to the below provision captioned “Court Approval”.

8. **Jurisdiction.** All Parties agree to the sole and exclusive jurisdiction of the Bankruptcy Court for purposes of enforcing the terms of this Agreement and resolving any disputes arising therefrom.

9. **Releases Between the Settling Party and BSR.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge BSR, and each of BSR’s predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have or may have had at any time, as of the Payment Date, whether now known or unknown. In consideration of the agreements contained within this Agreement, BSR, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party’s predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that BSR has, may have or may have had at any time as of the Payment Date, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

10. **Releases Between the Settling Party and TexOil.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby

unconditionally and irrevocably release, remise and forever discharge TexOil, and each of TexOil's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have in the future, or may have had at any time as of the Payment Date, whether now known or unknown. In consideration of the agreements contained within this Agreement, TexOil, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that TexOil has, may have or may have had at any time as of the Bankruptcy Court's approval of this agreement, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

11. **Successors.** This Agreement shall be binding upon and inure to the benefit of the Parties, and all persons, firms, or legal entities herein released, and their respective successors and assigns, including, but not limited to, any successor trustee or administrator appointed in the Bankruptcy Case.

12. **Further Assurances.** Each Party agrees to take all reasonable steps necessary to effectuate the terms of this Agreement.

13. **Choice of Law.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas, without regard to conflicts of law principles. If any provision of the Agreement shall be deemed unenforceable for any reason, the Parties agree that the unenforceability of said provision shall not affect the enforceability of the Agreement as a whole.

14. **Venue.** Any disputes concerning this Agreement shall be brought in the Bankruptcy Court, or, if the Bankruptcy Case is closed, in a court of competent jurisdiction in Harris County, Texas.

15. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes. This Agreement shall become binding after it has been signed on behalf of each of the Parties to this Agreement, and it shall be deemed to have an effective date as of the end of the day on which the last signature has been affixed to this Agreement.

16. **Captions.** The captions contained in this Agreement are for guiding the reader only and are neither meant to confer any substantive rights or obligations nor modify in any way any portion of the text of paragraphs that they precede or of this Agreement in general.

17. **Amendments.** No amendment or variation of the terms or provisions of this Agreement shall be valid unless made in writing and signed by each of the Parties hereto.

18. **Entire Agreement.** This Agreement is an integrated agreement, containing the entire understanding among the Parties regarding the matters addressed herein. No representation, warranties, promises, inducements or other agreements have been made or relied upon by the Parties to this Agreement. This Agreement shall prevail over prior communications among the Parties regarding the matters contained herein.

19. **Court Approval.** Notwithstanding anything herein to the contrary, the Parties recognize that the obligations on the part of the Debtor set forth in this Agreement are conditioned on and subject to Bankruptcy Court approval pursuant to Bankruptcy Rule 9019. The Parties agree to work in good faith to secure approval of this Agreement from the Bankruptcy Court and to not take any action adverse to actions on the part of the Debtor to secure such approval.

Notwithstanding anything herein to the contrary, the Debtor may refer to this Agreement in any pleading filed in the Bankruptcy Court or in any proceeding relating to the Bankruptcy Case so long as, to the extent the Debtor refers to any Confidential Term, the Debtor seeks to have such information filed under seal

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

WAYNE T. AND KATHLEEN V CUNNINGHAM
1997 REVOCABLE TRUST DATED 03/27/97

By: Wayne T. Cunningham 4/28/2026
Name: Wayne T. Cunningham
Title: Trustee

BARROW SHAVER RESOURCES COMPANY, LLC

By: James Katchadurian
Name: James A. Katchadurian
Title: Chief Restructuring Officer

Digitally signed by: James Katchadurian
DN: CN = James Katchadurian email = james.katchadurian@cr3partners.com
C = US O = CR3
Date: 2026.04.29 17:26:12 -05'00'

TEXOIL ET, LLC

By: Robert Gunby 4/24/2026
Name: Robert Gunby
Title: CEO

TEXOIL INVESTMENTS, LLC

By: Robert Gunby 4/24/2026
Name: Robert Gunby
Title: CEO

Exhibit A
Cunningham

Well Name	Owner Name	WI [%]	NRI [%]
*HR TERRY 100	Wayne T. & Kathleen V. Cunningham	0.439%	0.292%
*LE ASHLEY 2022-3	Wayne T. & Kathleen V. Cunningham	0.439%	0.390%
AYERS-HUMPHREY 1H*	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
AYERS-KEASLER 1H*	Wayne T. & Kathleen V. Cunningham	1.667%	1.283%
GOODE-MCMAHAN 1H*	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HAYS-CAMPBELL 1H*	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HAYS-GLOVER 1H*	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR ALLEN 2024-3	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR ANDERSON 2023-4	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR BRAY 2023-6	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR DIAMOND 2024-1	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR DOWNS 2019-1	Wayne T. & Kathleen V. Cunningham	3.333%	2.567%
HR EMMA 2024-2	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR FOREST 2023-1	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR GOODHART 2023-7	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR GRUBBS 2022-3	Wayne T. & Kathleen V. Cunningham	1.667%	1.283%
HR HILL 2024-1	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR JAMES 2023-7A	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR JENKINS 2019-1	Wayne T. & Kathleen V. Cunningham	3.333%	2.567%
HR KERR 2022-3	Wayne T. & Kathleen V. Cunningham	1.667%	1.283%
HR MITCHELL 2023-15	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR OWENS 2023-3 - 1	Wayne T. & Kathleen V. Cunningham	1.032%	0.795%
HR PAIGE 2023-12	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR POLLAN 2019-1	Wayne T. & Kathleen V. Cunningham	3.333%	2.567%
HR QUARLES 2019-1	Wayne T. & Kathleen V. Cunningham	1.667%	1.283%
HR RHYNE 2023-5	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR STURDIVANT 2023-4	Wayne T. & Kathleen V. Cunningham	1.032%	0.795%
HR THORTON 2023-1	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
HR WATSON 2019-1	Wayne T. & Kathleen V. Cunningham	1.667%	1.283%
HR WINNIE 2023-1	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
MANNING-FOSTER 1H*	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
MANNING-KESSLER 1H*	Wayne T. & Kathleen V. Cunningham	1.667%	1.283%
MCD 2024-B	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
McFARLANE-ALFORD 1H*	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%
TEMPLETON-BRIDGE 1H*	Wayne T. & Kathleen V. Cunningham	1.667%	1.283%
TEMPLETON-GOODSON 1H*	Wayne T. & Kathleen V. Cunningham	0.500%	0.385%

EXHIBIT B-3

Murphy / TexOil / BSR Settlement Agreement

CONFIDENTIAL SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Confidential Settlement Agreement and General Release (“**Agreement**”), dated as of 4/24/2026, is entered into by and among Mike Murphy (the “**Settling Party**”), Barrow Shaver Resources Company, LLC (“**BSR**” or “**Debtor**”), and TexOil ET, LLC and TexOil Investments, LLC (together, “**TexOil**” and collectively with BSR and the Settling Party, the “**Parties**” hereto and each a “**Party**”).

RECITALS

WHEREAS, BSR is a debtor-in-possession pursuant to sections 1107(a) and 1108 of the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.* in the chapter 11 bankruptcy case captioned as *In re Barrow Shaver Resources Company, LLC*, Case No. 24-33353 (the “**Bankruptcy Case**”), in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “**Bankruptcy Court**”);

WHEREAS, BSR and Settling Party have certain disputes concerning purported non-operating working interests as detailed in Exhibit A attached hereto (the “**Subject Interests**”);

WHEREAS, the Bankruptcy Court, on November 19, 2025, entered its *Order Granting Debtor’s Emergency Motion for Entry of an Order (I) Approving the Sale of the Substantial Majority of the Debtor’s Assets to TexOil Investments, LLC, (II) Authorizing the Debtor to Entry into the TexOil Asset Purchase Agreements, (III) Approving the Sale of the Assets Free and Clear of Claims, Liens, Interests, and Encumbrances, (IV) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases as set forth in the TexOil Asset Purchase Agreements, and (V) Granting Related Relief* as Docket No. 972 in the Bankruptcy Case (the “**Sale Order**”);

WHEREAS, the Sale Order authorizes, pursuant to sections 105(a), 363(b), 363(f), 365(b), and 365(f) of the Bankruptcy Code, upon the Closing Date (as defined in the Sale Order) of each TexOil Asset Purchase Agreement (as defined in the Sale Order but including the Lot 2 APA (as defined below)) and pursuant to and except as otherwise set forth in the TexOil Asset Purchase Agreements, the Debtor's right, title, and interest in the Assets (as defined in the Sale Order but including the Assets transferred pursuant to the Lot 2 APA) will be transferred to TexOil free and clear of all liens, claims, encumbrances, obligations or liabilities;¹

WHEREAS, as authorized pursuant to the Sale Order, TexOil and BSR have entered into that certain *Asset Purchase Agreement (Lot 2)*, dated as of January 23, 2026, by and between Barrow Shaver Resources Company, LLC, as Seller, and TexOil Investments, LLC, as Buyer (the "**Lot 2 APA**"), providing for, among other things, the payment of transaction consideration to BSR pursuant to a structured payout arrangement that is tied to the transfer and sale of certain Assets (as defined in the Lot 2 APA) that were subject to adverse claims, including the Subject Interests;

WHEREAS, the Bankruptcy Court, on January 28, 2026, entered an *Order Granting Debtor's Motion for Entry of an Order (I) Authorizing and Approving Procedures for Settling Causes of Action Related to the TexOil Asset Purchase Agreement for Lot 2 and (II) Granting Related Relief* (the "**Settlement Procedures Order**") at Docket No. 1055, whereby the Bankruptcy Court authorized BSR to enter into this Agreement subject to certain "**Settlement Procedures**" (as such term is defined in the Settlement Procedures Order);

¹ Sale Order at 20 ¶ 9 (subject to certain limitations as specifically provided in the TexOil Asset Purchase Agreements and the Sale Order but such limitations not being relevant for purposes of this Agreement).

WHEREAS, Settling Party has been provided a copy of the Settlement Procedures Order that describes the Settlement Procedures;

WHEREAS, the Parties recognize that this Agreement deviates in certain respects from the Form Settlement Agreement (as such term is defined in the Settlement Procedures Order) and, as such, any agreement on the part of the Debtor is conditioned on and subject to an order approving this Agreement by the Bankruptcy Court (the “**Approval Order**”) pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedures (the “**Bankruptcy Rules**”);

WHEREAS, the Settling Party asserted a claim against BSR in the Bankruptcy Case (the “**Settling Party Claim**”), which the Debtor disputes in certain aspects;

WHEREAS, the Parties desire to avoid any further expense, time, effort, and uncertainty with regard to any dispute pertaining to the Subject Interests; and

WHEREAS, the Parties desire to enter into this Agreement to settle and resolve all disputes pertaining to the Subject Interests.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and undertakings contained within this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereto, intending to be bound hereby, agree to the following terms and conditions as a full and complete settlement of these disputes:

1. **Settlement Amount.** BSR shall pay to the Settling Party the sum of \$100.00 (the “**Settlement Amount**”) in exchange for (a) the Settling Party’s disclaimer, withdrawal and release of claims as described in paragraph 2.a. below, and (b) the Settling Party, to the extent it has any interest in the Subject Interests, transferring such interest to BSR; *provided that*, BSR and the Settling Party acknowledge and agree that (i) the issue of whether the Settling Party owns the

Subject Interests is a disputed factual and legal issue between BSR and the Settling Party (a “**Disputed Issue**”); (ii) by entering into this Agreement, BSR does not stipulate to, agree with, acquiesce in, consent to, concur with, or otherwise assent to the position that the Settling Party owns the Subject Interests, but (iii) BSR and the Settling Party choose to enter into this Agreement to avoid the costs of litigating the Disputed Issue.

2. **Payment Date.** Pursuant to the Lot 2 APA, TexOil and BSR shall jointly instruct the Escrow Agent (as defined in the Lot 2 APA) to release from the Third Party Claimed Interest Escrow Account (as defined in the Lot 2 APA) funds in the amount of the Settlement Amount to BSR, and BSR shall wire such funds to the Settling Party in accordance with the wire instructions to be provided by the Settling Party within three (3) business days of the later of (i) the date that the Approval Order becomes a final, non-appealable order, (ii) BSR’s receipt of payment instructions from the Settling Party and a fully-completed Form W-9 from the Settling Party, or (iii) the closing of the transactions (the “**Closing**”) contemplated by the Lot 2 APA (such date upon which such Settlement Amount is paid being the “**Payment Date**”).

- a. Upon its receipt of the Settlement Amount, the Settling Party shall be deemed to have disclaimed, withdrawn, and otherwise released any claim, whether past, present or future, now known or unknown, that the Settling Party has as to the Subject Interests. The Settling Party shall file a stipulation or motion seeking to dismiss, withdraw, or nonsuit (as applicable) with prejudice of any pending matters or litigation that it commenced concerning the Subject Interests within three (3) business days of receipt of the Settlement Amount (collectively, the “**Dismissal**”).
- b. The Parties acknowledge that by virtue of the Parties’ entry into this Agreement and BSR’s payment of the Settlement Amount to the Settling Party pursuant to

satisfaction of paragraph 2.a. above, the Subject Interests shall become Cleared Interests (as defined in the Lot 2 APA) pursuant to the terms of the Lot 2 APA and the Sale Order. Accordingly, within five (5) days after the later of (i) the Payment Date or (ii) to the extent applicable, the Settling Party's filing of the Dismissal, TexOil and BSR shall jointly instruct the Escrow Agent to release to TexOil from the Third Party Claimed Interest Escrow Account cash in the amount of the Cleared Interest Payment for such Cleared Interests, *less* the Settlement Amount. BSR acknowledges that, notwithstanding any provision contained in the Lot 2 APA, the related escrow agreement with the Escrow Agent (the "**Escrow Agreement**"), or any other agreement entered into between BSR and TexOil to the contrary, BSR at the Closing of the transactions contemplated by the Lot 2 APA shall receive compensation for the Subject Interests from TexOil pursuant to the Purchase Price Floor paid by TexOil to BSR as provided in the Lot 2 APA, and BSR shall not receive any additional compensation from TexOil for the Subject Interests, including any funds from the Third Party Claimed Interest Escrow Account. In addition, BSR shall convey such Cleared Interests to TexOil pursuant to the Assignment and Bill of Sale in the form attached to the Lot 2 APA.

3. **Purchased Interests.** TexOil shall sell to the Settling Party, free and clear of any interests, liens, claims or encumbrances, the following (hereafter referred to as the "**Purchased Interests**"): the non-operating working interests in the properties as described in Exhibit A² which, for the avoidance of doubt, shall include the same percentage working interest in all existing and

² For the avoidance of doubt, Exhibit A refers to both the Subject Interests and the Purchased Interests.

future oil and gas leases owned by BSR and/or TexOil in the area referred to as the Hidden Rock Field, which is in Morris, Cass, Upshur, and Camp Counties, Texas. As consideration for the Purchased Interests, the Settling Party shall pay TexOil the sum (the “**Purchased Interests Consideration**”) set forth in that certain Term Sheet entered into between Settling Party and TexOil dated March 5, 2026. Within three (3) business days of the date this Agreement is signed by all Parties, the Settling Party shall deposit the Purchased Interests Consideration into an Attorney Trust Account at the law firm of Jones, Allen and Fuquay LLP in Dallas, Texas (“**JAF**”). The Purchased Interests Consideration shall be released from JAF and transferred to TexOil in accordance with the wire instructions to be provided by TexOil within three (3) business days of the Payment Date. TexOil shall transfer and assign the Purchased Interests within three (3) business days of receipt of the Purchased Interests Consideration and provide the necessary support to allow the Settling Party to validate/record the Purchased Interests.

4. **Working Interests Payments.** Within thirty (30) days of the Payment Date, the Settling Party shall be (i) paid by TexOil for all unpaid revenue attributable to the Subject Interests through the Payment Date (the “**Unpaid Revenue**”) and (ii) provided by TexOil with any JIB Statement and/or other support to reasonably corroborate the amount of the Unpaid Revenue.

5. **New JOA.** Upon BSR’s rejection of the (i) *Exploration Agreement*, with BSR as operator, dated December 22, 2017 and (ii) *Operating Agreement*, with BSR as operator, dated December 1, 2017, the Settling Party agrees to accept any joint operating agreement (“**JOA**”) for the Hidden Rock Field that is presented by TexOil as long as such JOA provides that all net revenue interests applicable to TexOil and the Settling Party are the same based on each Party’s respective proportional ownership percentage.

6. **Rule 9019 Motion.** The Parties agree BSR shall file a motion (the “**Rule 9019 Motion**”) with the Bankruptcy Court seeking approval of this Agreement. For the avoidance of doubt, no Party shall be bound or obligated by any term of this Agreement unless and until the Bankruptcy Court enters the Approval Order and such Approval Order becomes a final, non-appealable order.

7. **Confidentiality.** All Parties hereto agree to keep (i) the amount of the Purchase Interests Consideration and (ii) any reference to Schedule 3.3(a) of the Lot 2 APA (collectively, such terms as referred to in romanettes (i) and (ii) collectively being the “**Confidential Terms**” and each a “**Confidential Term**”) shall be kept strictly confidential according to the terms set forth in Settlement Procedures Order except that (a) the Debtor may disclose the Confidential Terms to the Notice Parties (as such term is defined in the Settlement Procedures Order) so long as each such Notice Party confirms in writing (email confirmation being acceptable) that such Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (b) the Debtor may disclose the Confidential Terms to other parties with TexOil’s written consent (email consent being acceptable) so long as each recipient confirms in writing (email confirmation being acceptable) that such Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (c) the Debtor may disclose the Confidential Terms to the Bankruptcy Court and such other parties that the Bankruptcy Court may direct, and (d) the Debtor may disclose the Confidential Terms according to the below provision captioned “Court Approval”.

8. **Jurisdiction.** All Parties agree to the sole and exclusive jurisdiction of the Bankruptcy Court for purposes of enforcing the terms of this Agreement and resolving any disputes arising therefrom.

9. **Releases Between the Settling Party and BSR.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge BSR, and each of BSR's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have or may have had at any time, as of the Payment Date, whether now known or unknown. In consideration of the agreements contained within this Agreement, BSR, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that BSR has, may have or may have had at any time as of the Payment Date, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

10. **Releases Between the Settling Party and TexOil.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge TexOil, and each of TexOil's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all

lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have in the future, or may have had at any time as of the Payment Date, whether now known or unknown. In consideration of the agreements contained within this Agreement, TexOil, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that TexOil has, may have or may have had at any time as of the Payment Date, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

11. **Successors.** This Agreement shall be binding upon and inure to the benefit of the Parties, and all persons, firms, or legal entities herein released, and their respective successors and assigns, including, but not limited to, any successor trustee or administrator appointed in the Bankruptcy Case.

12. **Further Assurances.** Each Party agrees to take all reasonable steps necessary to effectuate the terms of this Agreement.

13. **Choice of Law.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas, without regard to conflicts of law principles. If any provision of the Agreement shall be deemed unenforceable for any reason, the Parties agree that the unenforceability of said provision shall not affect the enforceability of the Agreement as a whole.

14. **Venue.** Any disputes concerning this Agreement shall be brought in the Bankruptcy Court, or, if the Bankruptcy Case is closed, in a court of competent jurisdiction in Harris County, Texas.

15. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes. This Agreement shall become binding after it has been signed on behalf of each of the Parties to this Agreement, and it shall be deemed to have an effective date as of the end of the day on which the last signature has been affixed to this Agreement.

16. **Captions.** The captions contained in this Agreement are for guiding the reader only and are neither meant to confer any substantive rights or obligations nor modify in any way any portion of the text of paragraphs that they precede or of this Agreement in general.

17. **Amendments.** No amendment or variation of the terms or provisions of this Agreement shall be valid unless made in writing and signed by each of the Parties hereto.

18. **Entire Agreement.** This Agreement is an integrated agreement, containing the entire understanding among the Parties regarding the matters addressed herein. No representation, warranties, promises, inducements or other agreements have been made or relied upon by the Parties to this Agreement. This Agreement shall prevail over prior communications among the Parties regarding the matters contained herein.

19. **Court Approval.** Notwithstanding anything herein to the contrary, the Parties recognize that the obligations on the part of the Debtor set forth in this Agreement are conditioned on and subject to Bankruptcy Court approval pursuant to Bankruptcy Rule 9019. The Parties agree to work in good faith to secure approval of this Agreement from the Bankruptcy Court and to not take any action adverse to actions on the part of the Debtor to secure such approval. Notwithstanding anything herein to the contrary, the Debtor may refer to this Agreement in any pleading filed in the Bankruptcy Court or in any proceeding relating to the Bankruptcy Case so

long as, to the extent the Debtor refers to any Confidential Term, the Debtor seeks to have such information filed under seal.

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

MIKE MURPHY

DocuSigned by:

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BARROW SHAVER RESOURCES COMPANY, LLC

By: **James Katchadurian**
 Name: James A. Katchadurian
 Title: Chief Restructuring Officer

Digitally signed by: James Katchadurian
 DN: CN = James Katchadurian email = james.katchadurian@cr3partners.com
 C = US O = CR3
 Date: 2026.04.29 17:23:43 -05'00'

TEXOIL ET, LLC

Signed by:

 By: Robert Gunby
 Name: Robert Gunby
 Title: CEO

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TEXOIL INVESTMENTS, LLC

Signed by:

 By: Robert Gunby
 Name: Robert Gunby
 Title: CEO

B1483418F51A4E1...

Exhibit A

Mike Murphy

Well Name	Owner Name	WI [%]	NRI [%]
*HR TERRY 100	Mike Murphy	0.439%	0.292%
*LE ASHLEY 2022-3	Mike Murphy	0.439%	0.390%
AYERS-HUMPHREY 1H*	Mike Murphy	1.667%	1.283%
AYERS-KEASLER 1H*	Mike Murphy	1.667%	1.283%
GOODE-MCMAHAN 1H*	Mike Murphy	1.667%	1.283%
HAYS-CAMPBELL 1H*	Mike Murphy	1.667%	1.283%
HAYS-GLOVER 1H*	Mike Murphy	1.667%	1.283%
HR ALLEN 2024-3	Mike Murphy	1.667%	1.283%
HR ANDERSON 2023-4	Mike Murphy	1.667%	1.283%
HR BRAY 2023-6	Mike Murphy	1.667%	1.283%
HR DIAMOND 2024-1	Mike Murphy	1.667%	1.283%
HR DOWNS 2019-1	Mike Murphy	3.333%	2.567%
HR EMMA 2024-2	Mike Murphy	1.667%	1.283%
HR FOREST 2023-1	Mike Murphy	1.667%	1.283%
HR GOODHART 2023-7	Mike Murphy	1.667%	1.283%
HR GRUBBS 2022-3	Mike Murphy	1.667%	1.283%
HR HILL 2024-1	Mike Murphy	1.667%	1.283%
HR JAMES 2023-7A	Mike Murphy	1.667%	1.283%
HR JENKINS 2019-1	Mike Murphy	3.333%	2.567%
HR JOHNSON 2024-3	Mike Murphy	1.667%	1.283%
HR KERR 2022-3	Mike Murphy	1.667%	1.283%
HR LANTZ 2024-1	Mike Murphy	1.667%	1.283%
HR MITCHELL 2023-15	Mike Murphy	1.667%	1.283%
HR MOORE 2024-4	Mike Murphy	1.667%	1.283%
HR OWENS 2023-3 - 1	Mike Murphy	1.667%	1.283%
HR PAIGE 2023-12	Mike Murphy	1.667%	1.283%
HR POLLAN 2019-1	Mike Murphy	3.333%	2.567%
HR QUARLES 2019-1	Mike Murphy	1.667%	1.283%
HR RHYNE 2023-5	Mike Murphy	1.667%	1.283%
HR STURDIVANT 2023-4	Mike Murphy	1.667%	1.283%
HR TEMPLETON 2024-3	Mike Murphy	1.667%	1.283%
HR THORTON 2023-1	Mike Murphy	1.667%	1.283%
HR WATSON 2019-1	Mike Murphy	1.667%	1.283%
HR WINNIE 2023-1	Mike Murphy	1.667%	1.283%
MANNING-FOSTER 1H*	Mike Murphy	1.667%	1.283%
MANNING-KESSLER 1H*	Mike Murphy	1.667%	1.283%
MCD 2024-B	Mike Murphy	1.667%	1.283%
MCFARLANE-ALFORD 1H*	Mike Murphy	1.667%	1.283%
TEMPLETON-BRIDGE 1H*	Mike Murphy	1.667%	1.283%
TEMPLETON-GOODSON 1H*	Mike Murphy	1.667%	1.283%
WILMETH-WREN 1H*	Mike Murphy	1.667%	1.283%

EXHIBIT B-4

BMW / TexOil / BSR Settlement Agreement

CONFIDENTIAL SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Confidential Settlement Agreement and General Release (“**Agreement**”), dated as of 4/24/2026 is entered into by and among BMW Investments, LP (the “**Settling Party**”), Barrow Shaver Resources Company, LLC (“**BSR**” or “**Debtor**”), and TexOil ET, LLC and TexOil Investments, LLC (together, “**TexOil**” and collectively with BSR and the Settling Party, the “**Parties**” hereto and each a “**Party**”).

RECITALS

WHEREAS, BSR is a debtor-in-possession pursuant to sections 1107(a) and 1108 of the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.* in the chapter 11 bankruptcy case captioned as *In re Barrow Shaver Resources Company, LLC*, Case No. 24-33353 (the “**Bankruptcy Case**”), in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “**Bankruptcy Court**”);

WHEREAS, BSR and Settling Party have certain disputes concerning purported non-operating working interests as detailed in Exhibit A attached hereto (the “**Subject Interests**”);

WHEREAS, the Bankruptcy Court, on November 19, 2025, entered its *Order Granting Debtor’s Emergency Motion for Entry of an Order (I) Approving the Sale of the Substantial Majority of the Debtor’s Assets to TexOil Investments, LLC, (II) Authorizing the Debtor to Entry into the TexOil Asset Purchase Agreements, (III) Approving the Sale of the Assets Free and Clear of Claims, Liens, Interests, and Encumbrances, (IV) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases as set forth in the TexOil Asset Purchase Agreements, and (V) Granting Related Relief* as Docket No. 972 in the Bankruptcy Case (the “**Sale Order**”);

WHEREAS, the Sale Order authorizes, pursuant to sections 105(a), 363(b), 363(f), 365(b), and 365(f) of the Bankruptcy Code, upon the Closing Date (as defined in the Sale Order) of each TexOil Asset Purchase Agreement (as defined in the Sale Order but including the Lot 2 APA (as defined below)) and pursuant to and except as otherwise set forth in the TexOil Asset Purchase Agreements, the Debtor's right, title, and interest in the Assets (as defined in the Sale Order but including the Assets transferred pursuant to the Lot 2 APA) will be transferred to TexOil free and clear of all liens, claims, encumbrances, obligations or liabilities;¹

WHEREAS, as authorized pursuant to the Sale Order, TexOil and BSR have entered into that certain *Asset Purchase Agreement (Lot 2)*, dated as of January 23, 2026, by and between *Barrow Shaver Resources Company, LLC, as Seller, and TexOil Investments, LLC, as Buyer* (the "**Lot 2 APA**"), providing for, among other things, the payment of transaction consideration to BSR pursuant to a structured payout arrangement that is tied to the transfer and sale of certain Assets (as defined in the Lot 2 APA) that were subject to adverse claims, including the Subject Interests;

WHEREAS, the Bankruptcy Court, on January 28, 2026, entered an *Order Granting Debtor's Motion for Entry of an Order (I) Authorizing and Approving Procedures for Settling Causes of Action Related to the TexOil Asset Purchase Agreement for Lot 2 and (II) Granting Related Relief* (the "**Settlement Procedures Order**") at Docket No. 1055, whereby the Bankruptcy Court authorized BSR to enter into this Agreement subject to certain "**Settlement Procedures**" (as such term is defined in the Settlement Procedures Order);

WHEREAS, Settling Party has been provided a copy of the Settlement Procedures Order that describes the Settlement Procedures;

¹ Sale Order at 20 ¶ 9 (subject to certain limitations as specifically provided in the TexOil Asset Purchase Agreements and the Sale Order but such limitations not being relevant for purposes of this Agreement).

WHEREAS, the Parties recognize that this Agreement deviates in certain respects from the Form Settlement Agreement (as such term is defined in the Settlement Procedures Order) and, as such, any agreement on the part of the Debtor is conditioned on and subject to order approving this Agreement by the Bankruptcy Court (the “**Approval Order**”) pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedures (the “**Bankruptcy Rules**”);

WHEREAS, the Settling Party asserted a claim against BSR in the Bankruptcy Case (the “**Settling Party Claim**”), which the Debtor disputes in certain aspects;

WHEREAS, the Settling Party’s vendor affiliates, Genesis Endeavors, LLC (“**Genesis Endeavors**”) and Strong Services, LP (“**Strong Services**”), asserted certain secured and/or priority claims against BSR in the Bankruptcy Case (Claim Nos. 767, 780, 791, 802) (collectively, the “**Genesis/Strong Claims**”);

WHEREAS, the Parties desire to avoid any further expense, time, effort, and uncertainty with regard to any dispute pertaining to the Subject Interests; and

WHEREAS, the Parties desire to enter into this Agreement to settle and resolve all disputes pertaining to the Subject Interests.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and undertakings contained within this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereto, intending to be bound hereby, agree to the following terms and conditions as a full and complete settlement of these disputes:

1. **Settlement Amount.** BSR shall pay to the Settling Party the sum of \$100.00 (the “**Settlement Amount**”) in exchange for (a) the Settling’s Party disclaimer, withdrawal and release of claims as described in paragraph 2.a. below, and (b) the Settling Party, to the extent it has any

interest in the Subject Interests, transferring such interest to BSR; *provided that*, BSR and the Settling Party acknowledge and agree that (i) the issue of whether the Settling Party owns the Subject Interests is a disputed factual and legal issue between BSR and the Settling Party (a **“Disputed Issue”**); (ii) by entering into this Agreement, BSR does not stipulate to, agree with, acquiesce in, consent to, concur with, or otherwise assent to the position that the Settling Party owns the Subject Interests, but (iii) BSR and the Settling Party choose to enter into this Agreement to avoid the costs of litigating the Disputed Issue.

2. **Payment Date.** Pursuant to the Lot 2 APA, TexOil and BSR shall jointly instruct the Escrow Agent (as defined in the Lot 2 APA) to release from the Third Party Claimed Interest Escrow Account (as defined in the Lot 2 APA) funds in the amount of the Settlement Amount to BSR, and BSR shall wire such funds to the Settling Party in accordance with the wire instructions to be provided by the Settling Party within three (3) business days of the later of (i) the date that the Approval Order becomes a final, non-appealable order, (ii) BSR’s receipt of payment instructions from the Settling Party and a fully-completed Form W-9 from the Settling Party, or (iii) the closing of the transactions (the **“Closing”**) contemplated by the Lot 2 APA (such date upon which such Settlement Amount is paid being the **“Payment Date”**).

- a. Upon its receipt of the Settlement Amount, the Settling Party shall be deemed to have disclaimed, withdrawn, and otherwise released any claim (other than the Allowed Settling Party Claim (as defined below) and the Genesis/Strong Claims), whether past, present or future, now known or unknown, that the Settling Party has as to the Subject Interests. Other than with respect to pending matters concerning the Genesis/Strong Claims, and to the extent applicable, the Settling Party shall file a stipulation or motion seeking to dismiss, withdraw, or nonsuit (as applicable) with

prejudice any pending matters or litigation that it commenced concerning the Subject Interests within three (3) business days of receipt of the Settlement Amount (collectively, the “**Dismissal**”).

- b. The Parties acknowledge that by virtue of the Parties’ entry into this Agreement and BSR’s payment of the Settlement Amount to the Settling Party pursuant to satisfaction of paragraph 2.a. above, the Subject Interests shall become Cleared Interests (as defined in the Lot 2 APA) pursuant to the terms of the Lot 2 APA and the Sale Order. Accordingly, within five (5) days after the later of (i) the Payment Date or (ii) to the extent applicable, the Settling Party’s filing of the Dismissal, TexOil and BSR shall jointly instruct the Escrow Agent to release to TexOil from the Third Party Claimed Interest Escrow Account cash in the amount of the Cleared Interest Payment for such Cleared Interests, *less* the Settlement Amount. BSR acknowledges that, notwithstanding any provision contained in the Lot 2 APA, the related escrow agreement with the Escrow Agent (the “**Escrow Agreement**”), or any other agreement entered into between BSR and TexOil to the contrary, BSR at the Closing of the transactions contemplated by the Lot 2 APA shall receive compensation for the Subject Interests from TexOil pursuant to the Purchase Price Floor paid by TexOil to BSR as provided in the Lot 2 APA, and BSR shall not receive any additional compensation from TexOil for the Subject Interests, including any funds from the Third Party Claimed Interest Escrow Account. In addition, BSR shall convey such Cleared Interests to TexOil pursuant to the Assignment and Bill of Sale in the form attached to the Lot 2 APA.

3. **Purchased Interests.** TexOil shall sell to the Settling Party, free and clear of any interests, liens, claims, or encumbrances, the following (hereafter referred to as the “**Purchased Interests**”): (i) the non-operating working interests as described in Exhibit A² which, for the avoidance of doubt, shall include the same percentage working interest in all existing and future oil and gas leases owned by BSR and/or TexOil in the area referred to as the Hidden Rock Field, which is in Morris, Cass, Upshur, and Camp Counties, Texas; and (ii) a pro-rata 6.64% non-operating working interest in all oil and gas leases acquired by TexOil pursuant to the *Asset Purchase Agreement (Lot 3)*, dated as of January 23, 2026, by and between Barrow Shaver Resources Company, LLC, as Seller, and TexOil Investments, LLC, as Buyer (as amended, supplemented or modified from time to time, the “**Lot 3 APA**”) (the “**Legacy Interests**”). As consideration for the Purchased Interests, the Settling Party shall pay TexOil the sum (the “**Purchased Interests Consideration**”) set forth in that certain Term Sheet entered into between Settling Party and TexOil dated March 5, 2026. Within three (3) business days of the date this Agreement is signed by all Parties, the Settling Party shall deposit (and provide proof of deposit to TexOil) the Purchased Interests Consideration into a segregated brokerage account at UBS Financial Services (“**UBS**”) in Dallas, Texas. The Purchased Interests Consideration shall be released from the UBS account and transferred to TexOil in accordance with the wire instructions to be provided by TexOil within three (3) business days of the Payment Date. TexOil shall transfer and assign the Purchased Interests within three (3) business days of receipt of the Purchased Interests Consideration and provide the necessary support to allow the Settling Party to validate/record the Purchased Interests.

² For the avoidance of doubt, Exhibit A refers to both the Subject Interests and the Purchased Interests.

4. **Interest Election.** The Settling Party shall have the option, at the Settling Party's pro-rata 6.64%, to elect without the payment of additional consideration into or out of all existing Legacy Interests. For the avoidance of doubt, the exercise of this option shall not have an impact on the Purchased Interests Consideration.

5. **Working Interests Payments.** Within thirty (30) days of the Payment Date, the Settling Party shall be (i) paid by TexOil for all unpaid revenue attributable to the Subject Interests through the Payment Date (the "**Unpaid Revenue**") and (ii) provided by TexOil with any JIB Statement and/or other support to reasonably corroborate the amount of the Unpaid Revenue.

6. **Preferred Vendor Status.** TexOil agrees that Genesis Endeavors, Strong Services, and any of Settling Party's subsidiaries and majority-owned companies (collectively, the "**BMW Vendors**" and each, a "**BMW Vendor**") shall have a preferred vendor status as to any vendor business issued by TexOil so long as the following conditions are met:

- a. *Competitive Pricing:* the financial bid submitted by any of the BMW Vendors is no higher than 105% of any other competitive financial bid on like kind services or products as calculated by TexOil;
- b. *Historical Performance:* BMW Vendors must maintain quality service and the Parties acknowledge that failure to perform at a high commercial level on a prior service may allow TexOil to reject a later bid by the BMW Vendor which failed to perform at a high commercial level; and
- c. *Ordinary Business:* BMW Vendors may only have preferred vendor status on business that is within BMW Vendors' ordinary course of business.

7. **Allowance of Settling Party Claim.** The Settling Party Claim shall be deemed allowed in the amount of \$860,000.00 (the "**Allowed Settling Party Claim**") as a general

unsecured claim in the Bankruptcy Case upon the date that the Approval Order becomes a final, non-appealable order.

8. **All Rights Reserved Regarding Genesis/Strong Claims.** Genesis Endeavors, Strong Services, and BSR reserve all rights regarding the amount, validity, priority, and allowance of the Genesis/Strong Claims in the Bankruptcy Case.

9. **Rule 9019 Motion.** The Parties agree BSR shall file a motion (the “**Rule 9019 Motion**”) with the Bankruptcy Court seeking approval of this Agreement. For the avoidance of doubt, no Party shall be bound or obligated by any term of this Agreement unless and until the Bankruptcy Court enters the Approval Order and such Approval Order becomes a final, non-appealable order.

10. **New JOA.** Upon BSR’s rejection of the (i) *Exploration Agreement*, with BSR as operator, dated December 22, 2017 and (ii) *Operating Agreement*, with BSR as operator, dated December 1, 2017, the Settling Party agrees to accept any joint operating agreement (“**JOA**”) for the Hidden Rock Field that is presented by TexOil as long as such JOA provides that all net revenue interests applicable to TexOil and the Settling Party are the same based on each Party’s respective proportional ownership percentage.

11. **Confidentiality.** All Parties hereto agree to keep (i) the amount of the Purchase Interests Consideration and (ii) any reference to Schedule 3.3(a) of the Lot 2 APA (collectively, such terms as referred to in romanettes (i) and (ii) collectively being the “**Confidential Terms**” and each a “**Confidential Term**”) shall be kept strictly confidential according to the terms set forth in Settlement Procedures Order except that (a) the Debtor may disclose the Confidential Terms to the Notice Parties (as such term is defined in the Settlement Procedures Order) so long as each such Notice Party confirms in writing (email confirmation being acceptable) that such

Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (b) the Debtor may disclose the Confidential Terms to other parties with TexOil's written consent (email consent being acceptable) so long as each recipient confirms in writing (email confirmation being acceptable) that such Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (c) the Debtor may disclose the Confidential Terms to the Bankruptcy Court and such other parties that the Bankruptcy Court may direct, and (d) the Debtor may disclose the Confidential Terms according to the below provision captioned "Court Approval".

12. **Jurisdiction.** All Parties agree to the sole and exclusive jurisdiction of the Bankruptcy Court for purposes of enforcing the terms of this Agreement and resolving any disputes arising therefrom.

13. **Releases Between the Settling Party and BSR.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge BSR, and each of BSR's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have or may have had at any time, as of the Payment Date, whether now known or unknown; *provided, however*, that the Allowed Settling Party Claim and the Genesis/Strong Claims shall not be released, remised and forever discharged against BSR and shall be afforded the treatment provided for in this Agreement and/or to be determined in future proceedings in the Bankruptcy Case with all rights reserved. In consideration of the agreements contained within this

Agreement, BSR, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that BSR has, may have or may have had at any time as of the Payment Date, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

14. **Releases Between the Settling Party and TexOil.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge TexOil, and each of TexOil's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have in the future, or may have had at any time as of the Payment Date, whether now known or unknown. In consideration of the agreements contained within this Agreement, TexOil, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that TexOil has, may have or may have had at any time as of the Payment Date, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

15. **Successors.** This Agreement shall be binding upon and inure to the benefit of the Parties, and all persons, firms, or legal entities herein released, and their respective successors and assigns, including, but not limited to, any successor trustee or administrator appointed in the Bankruptcy Case.

16. **Further Assurances.** Each Party agrees to take all reasonable steps necessary to effectuate the terms of this Agreement.

17. **Notice.** Any notice necessary under this Agreement or the Settlement Procedures Order shall be deemed sufficiently transmitted if transmitted as required under the Settlement Procedures Order or via email to:

- a. BSR/Debtor: counsel for BSR, Jones Walker LLP, 811 Main Street, Houston, Texas 77002, Attn: Joseph E. Bain (jbain@joneswalker.com) and Olivia K. Greenberg (ogreenberg@joneswalker.com);
- b. TexOil: counsel for TexOil, Jones, Allen & Fuquay LLP, 7557 Rambler Road, Suite 500, Dallas, Texas 75231, Attn: Laura Worsham (lworsham@jonesallen.com); and
- c. Settling Party: counsel for Settling Party, Munsch Hardt Kopf & Harr, PC, 500 N. Akard Street, Suite 4000, Dallas, Texas 75201, Attn: Kevin M. Lippman (klippman@munsch.com) and Garrick Smith (gsmith@munsch.com).

18. **Choice of Law.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas, without regard to conflicts of law principles. If any provision of the Agreement shall be deemed unenforceable for any reason, the Parties agree that the unenforceability of said provision shall not affect the enforceability of the Agreement as a whole.

19. **Venue.** Any disputes concerning this Agreement shall be brought in the Bankruptcy Court, or, if the Bankruptcy Case is closed, in a court of competent jurisdiction in Harris County, Texas.

20. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes. This Agreement shall become

binding after it has been signed on behalf of each of the Parties to this Agreement, and it shall be deemed to have an effective date as of the end of the day on which the last signature has been affixed to this Agreement.

21. **Captions.** The captions contained in this Agreement are for guiding the reader only and are neither meant to confer any substantive rights or obligations nor modify in any way any portion of the text of paragraphs that they precede or of this Agreement in general.

22. **Amendments.** No amendment or variation of the terms or provisions of this Agreement shall be valid unless made in writing and signed by each of the Parties hereto.

23. **Entire Agreement.** This Agreement is an integrated agreement, containing the entire understanding among the Parties regarding the matters addressed herein. No representation, warranties, promises, inducements or other agreements have been made or relied upon by the Parties to this Agreement. This Agreement shall prevail over prior communications among the Parties regarding the matters contained herein.

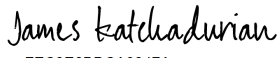
24. **Court Approval.** Notwithstanding anything herein to the contrary, the Parties recognize that the obligations on the part of the Debtor set forth in this Agreement are conditioned on and subject to Bankruptcy Court approval pursuant to Bankruptcy Rule 9019. The Parties agree to work in good faith to secure approval of this Agreement from the Bankruptcy Court and to not take any action adverse to actions on the part of the Debtor to secure such approval. Notwithstanding anything herein to the contrary, the Debtor may refer to this Agreement in any pleading filed in the Bankruptcy Court or in any proceeding relating to the Bankruptcy Case so long as, to the extent the Debtor refers to any Confidential Term, the Debtor seeks to have such information filed under seal.

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

BMW INVESTMENTS, LP

By: 
DocuSigned by: 5ED5700C3545440...
 Name: Wesley Mahone
 Title: President of the General Partner

BARROW SHAVER RESOURCES COMPANY, LLC

By: 
DocuSigned by: FEC9E6BDC6A0947A...
 Name: James A. Katchadurian
 Title: Chief Restructuring Officer

TEXOIL ET, LLC

By: 
Signed by: B1483418F51A4E1...
 Name: Robert Gunby
 Title: CEO

TEXOIL INVESTMENTS, LLC

By: 
Signed by: B1483418F51A4E1...
 Name: Robert Gunby
 Title: CEO

EXHIBIT A**BWM Investments, LP
BSR - Well Listing**DS
JKInitial
RGDS
WM

<u>Property#</u>	<u>Well Name</u>	<u>WI(%)</u>
ALLEN1	Allen 1V-Lone Star	6.64%
ANDER1	Anderson #1-Lone Star	6.64%
ASHLEY	Ashley - Non-Op-(lawsuit)	1.50%
BRAY#1	Bray #1V Lone Star	6.64%
DIAM1V	Diamond 1V Lone Star	6.64%
DOWNS	Downs #1	6.64%
EMMA1V	Emma #1 V Lone Star	6.64%
FOREST	Forest #1 Lone Star	6.64%
GOODH1	Goodhart 1V Lone Star	12%
GRUBBS	Grubbs #1 Lone Star	6.64%
HIDROC	Hidden Rock-Lone Star Phase 2	6.64%
HIDSWD	Hidden Rock SWD	6.64%
HILL#1	Hill #1 V Lone Star	6.64%
HRPIP1	Hidden Rock Pipeline Phase 1	6.64%
HRPIP2	Hidden Rock Pipeline Phase 2	6.64%
HRPIP3	Hidden Rock Pipeline Phase 3	6.64%
HRPIP4	Hidden Rock Pipeline Phase 4	6.64%
JAMES1	James #1 Lone Star	6.64%
JENKIN	Jenkins #1	6.64%
JOHNS1	Johnson #1	6.64%
KERR1H	Kerr 1 (Lone Star)	7%
LANTZ1	Lantz 1V Lone Star	6.64%
LSHZ10	LSHZ10 Maning-Foster AW1	6.64%
LSHZ13	LSHZ13 Hayes-Glover AW 1H	6.64%
LSHZ3	LSHZ3 Templeton Goodson AW #1H	6.64%
LSHZ4	LSHZ4 Ayers-Keasler AW #1H (South)	6.64%
LSHZ5	LSHZ5 Ayers-Humphrey AW #1H	6.64%
LSHZ6	LSHZ6 Hays-Campbell AW #1H	6.64%
LSHZ7	LSHZ7 McFarlane-Alford AW #1H	12%
LSHZ8	LSHZ8 Goode-McMahan	6.64%
LSHZ9	LSHZ9 Wilmeth-Wren AW #1H	6.64%
MAN1H	Manning-Kessler AW #1H (Sth)	6.64%
MARCAS	MCD #1 Lone Star	6.64%
MITCH1	Mitchell #1	6.64%
MOORE	Moore #1	6.64%
OWENS1	Owens #1 Lone Star	6.64%
PAIGE1	Paige 1V Lone Star	6.64%
POLLAN	Pollan #1	6.64%
QUARL1	Quarles #1	6.64%
RHYNE1	Rhyne #1 Lone Star	6.64%
STURDI	Sturdivant #1 Lone Star	6.64%
TEMP#1	Templeton #1	6.64%
TEMP1H	Templeton-Bridge AW 1H (South)	6.64%
TERRY	Terry #1 Non-Op	6.64%
THORN1	Thornton #1 Lone Star	6.64%
WATSON	Watson #1	6.64%
WINNE1	Winne 1V Lone Star	6.64%

EXHIBIT B-5

0078HT / TexOil / BSR Settlement Agreement

CONFIDENTIAL SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Confidential Settlement Agreement and General Release (“**Agreement**”), dated as of 4/25/2026
4/24/2026 is entered into by and among 78HT LLC (the “**Settling Party**”), Barrow Shaver Resources Company, LLC (“**BSR**” or “**Debtor**”), and TexOil ET, LLC and TexOil Investments, LLC (together, “**TexOil**” and collectively with BSR and the Settling Party, the “**Parties**” hereto and each a “**Party**”).

RECITALS

WHEREAS, BSR is a debtor-in-possession pursuant to sections 1107(a) and 1108 of the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.* in the chapter 11 bankruptcy case captioned as *In re Barrow Shaver Resources Company, LLC*, Case No. 24-33353 (the “**Bankruptcy Case**”), in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “**Bankruptcy Court**”);

WHEREAS, BSR and Settling Party have certain disputes concerning purported non-operating working interests as detailed in Exhibit A attached hereto (the “**Subject Interests**”);

WHEREAS, the Bankruptcy Court, on November 19, 2025, entered its *Order Granting Debtor’s Emergency Motion for Entry of an Order (I) Approving the Sale of the Substantial Majority of the Debtor’s Assets to TexOil Investments, LLC, (II) Authorizing the Debtor to Entry into the TexOil Asset Purchase Agreements, (III) Approving the Sale of the Assets Free and Clear of Claims, Liens, Interests, and Encumbrances, (IV) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases as set forth in the TexOil Asset Purchase Agreements, and (V) Granting Related Relief* as Docket No. 972 in the Bankruptcy Case (the “**Sale Order**”);

WHEREAS, the Sale Order authorizes, pursuant to sections 105(a), 363(b), 363(f), 365(b), and 365(f) of the Bankruptcy Code, upon the Closing Date (as defined in the Sale Order) of each TexOil Asset Purchase Agreement (as defined in the Sale Order but including the Lot 2 APA (as defined below)) and pursuant to and except as otherwise set forth in the TexOil Asset Purchase Agreements, the Debtor’s right, title, and interest in the Assets (as defined in the Sale Order but including the Assets transferred pursuant to the Lot 2 APA) will be transferred to TexOil free and clear of all liens, claims, encumbrances, obligations or liabilities;¹

WHEREAS, as authorized pursuant to the Sale Order, TexOil and BSR have entered into that certain *Asset Purchase Agreement (Lot 2)*, dated as of January 23, 2026, by and between *Barrow Shaver Resources Company, LLC, as Seller, and TexOil Investments, LLC, as Buyer* (the “**Lot 2 APA**”), providing for, among other things, the payment of transaction consideration to BSR pursuant to a structured payout arrangement that is tied to the transfer and sale of certain Assets (as defined in the Lot 2 APA) that were subject to adverse claims, including the Subject Interests;

WHEREAS, the Bankruptcy Court, on January 28, 2026, entered an *Order Granting Debtor’s Motion for Entry of an Order (I) Authorizing and Approving Procedures for Settling Causes of Action Related to the TexOil Asset Purchase Agreement for Lot 2 and (II) Granting Related Relief* (the “**Settlement Procedures Order**”) at Docket No. 1055, whereby the Bankruptcy Court authorized BSR to enter into this Agreement subject to certain “**Settlement Procedures**” (as such term is defined in the Settlement Procedures Order);

WHEREAS, Settling Party has been provided a copy of the Settlement Procedures Order that describes the Settlement Procedures;

¹ Sale Order at 20 ¶ 9 (subject to certain limitations as specifically provided in the TexOil Asset Purchase Agreements and the Sale Order but such limitations not being relevant for purposes of this Agreement).

WHEREAS, the Parties recognize that this Agreement deviates in certain respects from the Form Settlement Agreement (as such term is defined in the Settlement Procedures Order) and, as such, any agreement on the part of the Debtor is conditioned on and subject to order approving this Agreement by the Bankruptcy Court (the “**Approval Order**”) pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedures (the “**Bankruptcy Rules**”);

WHEREAS, the Settling Party asserted a claim against BSR in the Bankruptcy Case (the “**Settling Party Claim**”), which the Debtor disputes in certain aspects;

WHEREAS, the Parties desire to avoid any further expense, time, effort, and uncertainty with regard to any dispute pertaining to the Subject Interests; and

WHEREAS, the Parties desire to enter into this Agreement to settle and resolve all disputes pertaining to the Subject Interests.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and undertakings contained within this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereto, intending to be bound hereby, agree to the following terms and conditions as a full and complete settlement of these disputes:

1. **Settlement Amount.** BSR shall pay to the Settling Party the sum of \$100.00 (the “**Settlement Amount**”) in exchange for (a) the Settling Party’s filing of the Dismissal (as defined below), (b) the Settling’s Party disclaimer, withdrawal and release of claims as described in paragraph 2.a. below, and (c) the Settling Party, to the extent it has any interest in the Subject Interests, transferring such interest to BSR; *provided that*, BSR and the Settling Party acknowledge and agree that (i) the issue of whether the Settling Party owns the Subject Interests is a disputed factual and legal issue between BSR and the Settling Party (a “**Disputed Issue**”); (ii) by entering

into this Agreement, BSR does not stipulate to, agree with, acquiesce in, consent to, concur with, or otherwise assent to the position that the Settling Party owns the Subject Interests, but (iii) BSR and the Settling Party choose to enter into this Agreement to avoid the costs of litigating the Disputed Issue.

2. **Payment Date.** Pursuant to the Lot 2 APA, TexOil and BSR shall jointly instruct the Escrow Agent (as defined in the Lot 2 APA) to release from the Third Party Claimed Interest Escrow Account (as defined in the Lot 2 APA) funds in the amount of the Settlement Amount to BSR, and BSR shall wire such funds to the Settling Party in accordance with the wire instructions to be provided by the Settling Party within three (3) business days of the later of (i) the date that the Approval Order becomes a final, non-appealable order, (ii) BSR's receipt of payment instructions from the Settling Party and a fully-completed Form W-9 from the Settling Party, or (iii) the closing of the transactions (the "**Closing**") contemplated by the Lot 2 APA (such date upon which such Settlement Amount is paid being the "**Payment Date**").

- a. Upon its receipt of the Settlement Amount, the Settling Party shall be deemed to have disclaimed, withdrawn, and otherwise released any claim (other than the Allowed Settling Party Claim (as defined below)), whether past, present or future, now known or unknown, that the Settling Party has as to the Subject Interests. To the extent applicable, the Settling Party shall file a stipulation or motion seeking to dismiss, withdraw, or nonsuit (as applicable) with prejudice any pending matters or litigation that it commenced concerning the Subject Interests within three (3) business days of receipt of the Settlement Amount (collectively, the "**Dismissal**").
- b. The Parties acknowledge that by virtue of the Parties' entry into this Agreement and BSR's payment of the Settlement Amount to the Settling Party pursuant to

satisfaction of paragraph 2.a. above, the Subject Interests shall become Cleared Interests (as defined in the Lot 2 APA) pursuant to the terms of the Lot 2 APA and the Sale Order. Accordingly, within five (5) days after the later of (i) the Payment Date or (ii) to the extent applicable, the Settling Party's filing of the Dismissal, TexOil and BSR shall jointly instruct the Escrow Agent to release to TexOil from the Third Party Claimed Interest Escrow Account cash in the amount of the Cleared Interest Payment for such Cleared Interests, *less* the Settlement Amount. BSR acknowledges that, notwithstanding any provision contained in the Lot 2 APA, the related escrow agreement with the Escrow Agent (the "**Escrow Agreement**"), or any other agreement entered into between BSR and TexOil to the contrary, BSR at the Closing of the transactions contemplated by the Lot 2 APA shall receive compensation for the Subject Interests from TexOil pursuant to the Purchase Price Floor paid by TexOil to BSR as provided in the Lot 2 APA, and BSR shall not receive any additional compensation from TexOil for the Subject Interests, including any funds from the Third Party Claimed Interest Escrow Account. In addition, BSR shall convey such Cleared Interests to TexOil pursuant to the Assignment and Bill of Sale in the form attached to the Lot 2 APA.

3. **Purchased Interests.** TexOil shall sell to the Settling Party, free and clear of any interests, liens, claims, or encumbrances, the following (hereafter referred to as the "**Purchased Interests**"): (i) the non-operating working interests as described in Exhibit A² which, for the avoidance of doubt, shall include the same percentage working interest in all existing and future

² For the avoidance of doubt, Exhibit A refers to both the Subject Interests and the Purchased Interests.

oil and gas leases owned by BSR and/or TexOil in the area referred to as the Hidden Rock Field, which is in Morris, Cass, Upshur, and Camp Counties, Texas; and (ii) a pro-rata 1.67% non-operating working interest in all oil and gas leases acquired by TexOil pursuant to the *Asset Purchase Agreement (Lot 3)*, dated as of January 23, 2026, by and between Barrow Shaver Resources Company, LLC, as Seller, and TexOil Investments, LLC, as Buyer (as amended, supplemented or modified from time to time, the “**Lot 3 APA**”) (the “**Legacy Interests**”). As consideration for the Purchased Interests, the Settling Party shall pay TexOil the sum (the “**Purchased Interests Consideration**”) set forth in that certain Term Sheet entered into between Settling Party and TexOil dated March 5, 2026. Within three (3) business days of the date this Agreement is signed by all Parties, the Settling Party shall deposit (and provide proof of deposit to TexOil) the Purchased Interests Consideration into a segregated brokerage account at UBS Financial Services (“**UBS**”) in Dallas, Texas. The Purchased Interests Consideration shall be released from the UBS account and transferred to TexOil in accordance with the wire instructions to be provided by TexOil within three (3) business days of the Payment Date. TexOil shall transfer and assign the Purchased Interests within three (3) business days of receipt of the Purchased Interests Consideration and provide the necessary support to allow the Settling Party to validate/record the Purchased Interests.

4. **Interest Election.** The Settling Party shall have the option, at the Settling Party’s pro-rata 1.67%, to elect without the payment of additional consideration into or out of all existing Legacy Interests. For the avoidance of doubt, the exercise of this option shall not have an impact on the Purchased Interests Consideration.

5. **Working Interests Payments.** Within thirty (30) days of the Payment Date, the Settling Party shall be (i) paid by TexOil for all unpaid revenue attributable to the Subject Interests

through the Payment Date (the “**Unpaid Revenue**”) and (ii) provided by TexOil with any JIB Statement and/or other support to reasonably corroborate the amount of the Unpaid Revenue.

6. **Allowance of Settling Party Claim.** The Settling Party Claim shall be deemed allowed in the amount of \$165,000.00 (the “**Allowed Settling Party Claim**”) as a general unsecured claim in the Bankruptcy Case upon the date that the Approval Order becomes a final, non-appealable order.

7. **Rule 9019 Motion.** The Parties agree BSR shall file a motion (the “**Rule 9019 Motion**”) with the Bankruptcy Court seeking approval of this Agreement. For the avoidance of doubt, no Party shall be bound or obligated by any term of this Agreement unless and until the Bankruptcy Court enters the Approval Order and such Approval Order becomes a final, non-appealable order.

8. **New JOA.** Upon BSR’s rejection of the (i) *Exploration Agreement*, with BSR as operator, dated December 22, 2017 and (ii) *Operating Agreement*, with BSR as operator, dated December 1, 2017, the Settling Party agrees to accept any joint operating agreement (“**JOA**”) for the Hidden Rock Field that is presented by TexOil as long as such JOA provides that all net revenue interests applicable to TexOil and the Settling Party are the same based on each Party’s respective proportional ownership percentage.

9. **Confidentiality.** All Parties hereto agree to keep (i) the amount of the Purchase Interests Consideration and (ii) any reference to Schedule 3.3(a) of the Lot 2 APA (collectively, such terms as referred to in romanettes (i) and (ii) collectively being the “**Confidential Terms**” and each a “**Confidential Term**”) shall be kept strictly confidential according to the terms set forth in Settlement Procedures Order except that (a) the Debtor may disclose the Confidential Terms to the Notice Parties (as such term is defined in the Settlement Procedures Order) so long

as each such Notice Party confirms in writing (email confirmation being acceptable) that such Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (b) the Debtor may disclose the Confidential Terms to other parties with TexOil's written consent (email consent being acceptable) so long as each recipient confirms in writing (email confirmation being acceptable) that such Confidential Terms may not be shared with other parties and shall otherwise be held confidential according to the terms of the Settlement Procedures Order, (c) the Debtor may disclose the Confidential Terms to the Bankruptcy Court and such other parties that the Bankruptcy Court may direct, and (d) the Debtor may disclose the Confidential Terms according to the below provision captioned "Court Approval".

10. **Jurisdiction.** All Parties agree to the sole and exclusive jurisdiction of the Bankruptcy Court for purposes of enforcing the terms of this Agreement and resolving any disputes arising therefrom.

11. **Releases Between the Settling Party and BSR.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge BSR, and each of BSR's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have or may have had at any time, as of the Payment Date, whether now known or unknown; *provided, however*, that the Allowed Settling Party Claim shall not be released, remised and forever discharged against BSR and shall be afforded the treatment provided for in this Agreement and/or to be determined in future proceedings in the Bankruptcy Case with all rights

reserved. In consideration of the agreements contained within this Agreement, BSR, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that BSR has, may have or may have had at any time as of the Payment Date, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

12. **Releases Between the Settling Party and TexOil.** On the Payment Date, and in consideration of the agreements contained within this Agreement, the Settling Party, for itself and each of its predecessors, successors, assigns, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge TexOil, and each of TexOil's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that such Settling Party has, may have in the future, or may have had at any time as of the Payment Date, whether now known or unknown. In consideration of the agreements contained within this Agreement, TexOil, for itself and each of its predecessors, successors, assigns, affiliates, agents, and representatives, does hereby unconditionally and irrevocably release, remise and forever discharge the Settling Party, and each of the Settling Party's predecessors, successors, assigns, affiliates, agents, and representatives, from any and all lawsuits, claims, suits, actions, causes of actions, losses, and expenses of every nature that TexOil has, may have or may have had at any time as of the Payment Date, whether now known or unknown. The foregoing, however, does not release any right or obligation contained in this Agreement.

13. **Successors.** This Agreement shall be binding upon and inure to the benefit of the Parties, and all persons, firms, or legal entities herein released, and their respective successors and assigns, including, but not limited to, any successor trustee or administrator appointed in the Bankruptcy Case.

14. **Further Assurances.** Each Party agrees to take all reasonable steps necessary to effectuate the terms of this Agreement.

15. **Notice.** Any notice necessary under this Agreement or the Settlement Procedures Order shall be deemed sufficiently transmitted if transmitted as required under the Settlement Procedures Order or via email to:

- a. BSR/Debtor: counsel for BSR, Jones Walker LLP, 811 Main Street, Houston, Texas 77002, Attn: Joseph E. Bain (jbain@joneswalker.com) and Olivia K. Greenberg (ogreenberg@joneswalker.com);
- b. TexOil: counsel for TexOil, Jones, Allen & Fuquay LLP, 7557 Rambler Road, Suite 500, Dallas, Texas 75231, Attn: Laura Worsham (lworsham@jonesallen.com); and
- c. Settling Party: counsel for Settling Party, Munsch Hardt Kopf & Harr, PC, 500 N. Akard Street, Suite 4000, Dallas, Texas 75201, Attn: Kevin M. Lippman (klippman@munsch.com) and Garrick Smith (gsmith@munsch.com).

16. **Choice of Law.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas, without regard to conflicts of law principles. If any provision of the Agreement shall be deemed unenforceable for any reason, the Parties agree that the unenforceability of said provision shall not affect the enforceability of the Agreement as a whole.

17. **Venue.** Any disputes concerning this Agreement shall be brought in the Bankruptcy Court, or, if the Bankruptcy Case is closed, in a court of competent jurisdiction in Harris County, Texas.

18. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes. This Agreement shall become

binding after it has been signed on behalf of each of the Parties to this Agreement, and it shall be deemed to have an effective date as of the end of the day on which the last signature has been affixed to this Agreement.

19. **Captions.** The captions contained in this Agreement are for guiding the reader only and are neither meant to confer any substantive rights or obligations nor modify in any way any portion of the text of paragraphs that they precede or of this Agreement in general.

20. **Amendments.** No amendment or variation of the terms or provisions of this Agreement shall be valid unless made in writing and signed by each of the Parties hereto.

21. **Entire Agreement.** This Agreement is an integrated agreement, containing the entire understanding among the Parties regarding the matters addressed herein. No representation, warranties, promises, inducements or other agreements have been made or relied upon by the Parties to this Agreement. This Agreement shall prevail over prior communications among the Parties regarding the matters contained herein.

22. **Court Approval.** Notwithstanding anything herein to the contrary, the Parties recognize that the obligations on the part of the Debtor set forth in this Agreement are conditioned on and subject to Bankruptcy Court approval pursuant to Bankruptcy Rule 9019. The Parties agree to work in good faith to secure approval of this Agreement from the Bankruptcy Court and to not take any action adverse to actions on the part of the Debtor to secure such approval. Notwithstanding anything herein to the contrary, the Debtor may refer to this Agreement in any pleading filed in the Bankruptcy Court or in any proceeding relating to the Bankruptcy Case so long as, to the extent the Debtor refers to any Confidential Term, the Debtor seeks to have such information filed under seal.

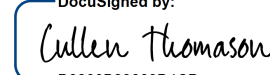
[Continues on Next Page]

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

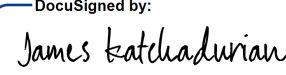
78HT LLC

By: 
 Name: Hunter Henry
 Title: Manager

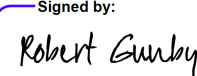
78HT LLC

By: 
 Name: Cullen Thomason
 Title: Manager

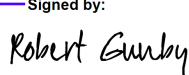
BARROW SHAVER RESOURCES COMPANY, LLC

By: 
 Name: James A. Katchadurian
 Title: Chief Restructuring Officer

TEXOIL ET, LLC

By: 
 Name: Robert Gunby
 Title: CEO

TEXOIL INVESTMENTS, LLC

By: 
 Name: Robert Gunby
 Title: CEO

78HT, LLC

BSR - Well Listing

DS Initial DS DS





<u>Property#</u>	<u>Well Name</u>	<u>WI(%)</u>
ALLEN1	Allen 1V-Lone Star	1.66667%
ANDER1	Anderson #1-Lone Star	1.66667%
ASHLEY	Ashley - Non-Op-(lawsuit)	0.439%
BRAY#1	Bray #1V Lone Star	1.66667%
DIAM1V	Diamond 1V Lone Star	1.66667%
DOWNS	Downs #1	1.66667%
EMMA1V	Emma #1 V Lone Star	1.66667%
FOREST	Forest #1 Lone Star	1.66667%
GOODH1	Goodhart 1V Lone Star	1.66667%
GRUBBS	Grubbs #1 Lone Star	1.66667%
HIDROC	Hidden Rock Lone-Star Phase 2	1.66667%
HIDSWD	Hidden Rock SWD	1.66667%
HILL#1	Hill #1 V Lone Star	1.66667%
HRPIP1	Hidden Rock Pipeline Phase 1	1.66667%
HRPIP2	Hidden Rock Pipeline Phase 2	1.66667%
HRPIP3	Hidden Rock Pipeline Phase 3	1.66667%
HRPIP4	Hidden Rock Pipeline Phase 4	1.66667%
HRPIP5	Hidden Rock Pipeline Phase 5	1.66667%
JAMES1	James #1 Lone Star	1.66667%
JENKIN	Jenkins #1	1.66667%
JOHNS1	Johnson #1	1.66667%
KERR1H	Kerr 1 (Lone Star)	1.66667%
LANTZ1	Lantz 1V Lone Star	1.66667%
LSHZ10	LSHZ10 Maning-Foster AW1	1.66667%
LSHZ13	LSHZ13 Hayes-Glover AW 1H	1.66667%
LSHZ3	LSHZ3 Templeton Goodson AW #1H	1.66667%
LSHZ4	LSHZ4 Ayers-Keasler AW #1H (South)	1.66667%
LSHZ5	LSHZ5 Ayers-Humphrey AW #1H	1.66667%
LSHZ6	LSHZ6 Hays-Campbell AW #1H	1.66667%
LSHZ7	LSHZ7 McFarlane-Alford AW #1H	1.66667%
LSHZ8	LSHZ8 Goode-McMahan	1.66667%
LSHZ9	LSHZ9 Wilmeth-Wren AW #1H	1.66667%
MAN1H	Manning-Kessler AW #1H (Sth)	1.66667%
MARCAS	MCD #1 Lone Star	1.66667%
MITCH1	Mitchell #1	1.66667%
MOORE	Moore #1	1.66667%
OWENS1	Owens #1 Lone Star	1.66667%
PAIGE1	Paige 1V Lone Star	1.66667%
POLLAN	Pollan #1	1.66667%
QUARL1	Quarles #1	1.66667%
RHYNE1	Rhyne #1 Lone Star	1.66667%
STURDI	Sturdivant #1 Lone Star	1.66667%
TEMP#1	Templeton #1	1.66667%
TEMP1H	Templeton-Bridge AW 1H (South)	1.66667%
TERRY	Terry #1 Non-Op	0.439%
THORN1	Thornton #1 Lone Star	1.66667%
WATSON	Watson #1	1.66667%
WINNE1	Winne 1V Lone Star	1.66667%

EXHIBIT C

Executed Lot 2 APA

Execution Version

ASSET PURCHASE AGREEMENT

(LOT 2)

DATED AS OF JANUARY 23, 2026

BY AND BETWEEN

BARROW SHAVER RESOURCES COMPANY, LLC

AS SELLER,

AND

TEXOIL INVESTMENTS, LLC ,

AS BUYER

THIS DRAFT IS STRICTLY CONFIDENTIAL AND FOR DISCUSSION PURPOSES ONLY. CIRCULATION OF THIS DRAFT SHALL NOT GIVE RISE TO ANY DUTY TO NEGOTIATE OR CREATE OR IMPLY AN OFFER, CONTRACT, OR ANY OTHER LEGAL OBLIGATION OF ANY TYPE OR NATURE. NO LEGAL OBLIGATION OF ANY KIND WILL ARISE UNLESS AND UNTIL A DEFINITIVE WRITTEN AGREEMENT IS EXECUTED AND DELIVERED BY ALL PARTIES.

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ASSET PURCHASE AGREEMENT (LOT 2)

THIS ASSET PURCHASE AGREEMENT (LOT 2) (this “Agreement”), dated as of January 23, 2026 (the “Execution Date”), is by and among Barrow Shaver Resources Company LLC, a Texas limited liability company (“Seller” or “BSR”), and TexOil Investments, LLC, a Texas limited liability company (“Buyer”). Capitalized terms used but not otherwise defined herein have the meanings set forth in Article 1. Seller and Buyer are sometimes referred to collectively herein as the “Parties” and individually as a “Party”.

RECITALS

WHEREAS, Seller is engaged in onshore oil and natural gas exploration, development and production and owns, in varying proportions, certain oil and gas leases and associated assets in East Texas and desires to sell its interest in the causes of action associated with the Leases and Mineral Interests in the Hidden Rock Field;

WHEREAS, on July 23, 2024 (the “Involuntary Petition Date”), the bankruptcy case, Case No. 24-33353 (the “Bankruptcy Case”), was commenced against Seller by the filing of an involuntary petition for relief under chapter 7 of Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), with the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “Bankruptcy Court”). On August 19, 2024 (the “Voluntary Petition Date” or simply the “Petition Date”), Seller consented to an order for relief under chapter 11 of the Bankruptcy Code by filing its voluntary petition for relief. Seller continues to operate its business and manage its property as debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;

WHEREAS, simultaneously with this Agreement, Seller and Buyer intend to enter into (a) a separate asset purchase agreement (the “Asset Purchase Agreement (Lot 1)”), whereby Seller has agreed to sell, and Buyer has agreed to purchase, Seller’s rights and interests to certain Leases and Mineral Interests, as well as certain stipulated rights and interest to certain Leases and Mineral Interests, associated with the Hidden Rock Field (collectively, the “Stipulated Oil and Gas Interests”), and (b) a separate asset purchase agreement (the “Asset Purchase Agreement (Lot 3)”), whereby Seller has agreed to sell, and Buyer has agreed to purchase, Seller’s rights and interests to certain leases and mineral interests, as well as certain stipulated rights and interest to certain leases and mineral interests, that are not associated with the Hidden Rock Field and that are commonly referred to as the Legacy Assets (collectively, the “Legacy Assets”);

WHEREAS, Seller holds potential rights, interests, claims, causes of action, and defenses, including without limitation those identified on Exhibit A attached hereto, to certain remaining Leases and Mineral Interests other than the Stipulated Oil and Gas Interests associated with the Hidden Rock Field and located on the Properties as defined the Asset Purchase Agreement (Lot 1) (collectively, the “Properties”);

WHEREAS, Seller has potential rights, interests, claims, causes of action, and defenses under state and federal law, including chapter 5 avoidance actions under the Bankruptcy Code, that relate to Seller’s claims that it is the proper owner of the working interests in the Properties (such claims and causes of action are defined in Section 2.2(b) as the “Potential WIO Avoidance Actions”) to which other parties have asserted or claimed an ownership interest;

WHEREAS, Seller has potential rights, interests, claims, causes of action, and defenses under state and federal law, including chapter 5 avoidance actions under the Bankruptcy Code, that relate to Seller’s claims that it is the proper owner of the overriding royalty interests in the Properties (such claims and causes of action are defined in Section 2.2(a) as the “Potential ORRI Avoidance Actions” and together with the

Potential WIO Avoidance Actions, are defined as the “Potential Avoidance Actions”) to which other parties have asserted or claimed an ownership interest;

WHEREAS, Buyer has an interest in acquiring the rights and interests of Seller with respect to the Potential Avoidance Actions and is willing to undertake the time, expenses, and risks involved in prosecuting the Potential Avoidance Actions;

WHEREAS, Seller intends to sell its rights and interests with respect to the Potential Avoidance Actions to Buyer, and Buyer desires to purchase Seller’s interests in the Potential Avoidance Actions, upon the terms and conditions set forth in this Agreement;

WHEREAS, the Parties intend to create a structure for transfer of Seller’s rights and interests with respect to the Potential Avoidance Actions contemplated by this Agreement pursuant to sections 105, 363, and 365 of the Bankruptcy Code; and

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

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

ARTICLE 1

DEFINITIONS

1.1 Definitions.

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

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

“Affiliate” has the meaning set forth in 11 U.S.C. § 101(2).

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

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

“Alternative Outside Date” shall mean 30 days after the Outside Date.

“Alternative Transaction” means:

- (i) any merger, consolidation, share exchange or other similar transaction to which Seller is a party that has the effect of transferring, directly or indirectly, all or a substantial portion of the Assets, or the direct or indirect ownership thereof, to any party other than Buyer;
- (ii) any direct or indirect sale or sales of all or a substantial portion of the Assets to any party other than Buyer; or

(iii) any other transaction or transactions, including a plan of liquidation or reorganization, that transfers or vests ownership of, economic rights to, or benefits with respect to all or a substantial portion of the Assets to any party other than Buyer.

“Asset Purchase Agreement (Lot 1)” has the meaning set forth in the recitals.

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

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

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

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

“Avoidance Litigation Account” has the meaning set forth in Section 3.3(a).

“Back-Up Bidder” means the bidder determined by the Seller in its sole discretion to have made the second-best offer for the Assets at the Auction.

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

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

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

“Bidding Procedures” means the bidding procedures approved pursuant to the Bidding Procedures Order and a copy of which is attached thereto.

“Bidding Procedures Motion” means the Debtor’s Emergency Motion for Entry of an Order (I) Approving the Bidding Procedures and Auction, (II) Scheduling Bid Deadlines, an Auction, Objection Deadlines, and a Hearing, (III) Approving the Form and Manner of Notice of the Sale Transaction, the Auction, the Hearing, and Assumption and Assignment Procedures, (IV) Authorizing the Debtor to Enter into a Lead Bidder Agreement, and (V) Granting Related Relief, entered by the Bankruptcy Court on June 27, 2025 as Docket No. 760.

“Bidding Procedures Order” means the Order entered by the Bankruptcy Court granting or approving (in whole or in part) the Bidding Procedures Motion and the Bidding Procedures.

“Business Day” means a day that is not a Saturday, a Sunday or any other day on which the Bankruptcy Court is not open to the public for conducting business.

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

“Buyer Default Termination” has the meaning set forth in Section 3.2(c)(ii).

“Buyer Intentional Breach” has the meaning set forth in Section 3.2(e).

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

“Buyer’s Financing” has the meaning set forth in Section 8.7(a).

“Buyer’s Financing Sources” has the meaning set forth in Section 8.7(a).

“Cash Consideration” has the meaning set forth in Section 3.1(a).

“Claimed Interest Value” has the meaning set forth in Section 3.3(a).

“Cleared Interest” has the meaning set forth in Section 3.3(c).

“Cleared Interest Payment” has the meaning set forth in Section 3.3(c).

“Clear Title” means, with respect to each Third Party Claimed Interest described in the Third Party Claimed Interest Schedule, marketable title in Buyer or its designee that is free of any competing claim of ownership of legal, beneficial, equitable, or record title, or other rights by any Third Party Claimed Interest Claimant, including marketable title that is obtained free of such third-party claims through (a) a settlement in accordance with a settlement agreement approved by each of Seller and Buyer, (b) a final, non-appealable judgment issued by a court of competent jurisdiction, or (c) adjudication of a court of competent jurisdiction.

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

“Closing Date” means the date and time as of which the Closing occurs as set forth in Section 4.1.

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

“Confidentiality Agreement” has the meaning set forth in Section 13.1.

“CRO” means the Chief Restructuring Officer of Seller, who is currently James A. Katchadurian.

“Damages” means any actual loss, cost, cost of settlement, damage, expense, claim, award or judgment incurred or suffered by any Person arising out of or resulting from the matter in question, whether attributable to personal injury or death, property damage, contract breach claims, torts or otherwise, including reasonable fees and expenses of attorneys, consultants, accountants or other agents and experts reasonably incurred with respect to matters in question, the costs of investigation or monitoring of such matters, and the costs of enforcement of the indemnity provided hereunder, if applicable; *provided, however*, that “Damages” shall not include any Taxes that may be assessed on payments under Article 12 or any punitive, consequential or exemplary damages.

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

“Deposit Account” has the meaning set forth in Section 3.2(a).

“DTPA” has the meaning set forth in Section 13.15.

“Effective Time” shall mean 12:01am on the Closing Date.

“Encumbrance” means all liens, whether consensual or statutory (including mechanic’s, materialman’s, carrier’s, repairer’s, contractor’s and other similar liens arising under applicable Laws), replacement liens, adequate protection liens or other liens granted under sections 361, 363, or 364 of the Bankruptcy Code, other charges, encumbrances, options, and transfer restrictions, including without limitation, rights of first refusal or first offer, defect, or objection liens, easements, encroachments or servitudes, in each case, that constitutes an “interest” for purposes of Bankruptcy Code § 363(f), including without limitation those charges or interests in property within the meaning of “lien” under Bankruptcy

Code § 101(37) or any other limitation, restriction, or interest that constitutes an “interest” for the purposes of Bankruptcy Code § 363(f).

“Escrow Agent” has the meaning set forth in Section 3.3(c).

“Excluded Assets” has the meaning set forth in Section 2.3.

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

“Executory Contract” means any executory Contract related to the Assets to which Seller is a party.

“Governmental Authority” means any United States federal, state or local or any foreign government, governmental authority or regulatory or administrative authority or any court, tribunal or judicial body having jurisdiction.

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

“Hidden Rock Pipeline” has the meaning set forth in Section 2.2(b)(ii).

“Insider” has the meaning set for in 11 U.S.C. § 101(31)(A).

“JIB Invoices” means all invoices or requests for payment or reimbursement issued by Seller, as Operator under the Operating Agreement, pursuant to Section D.2. of Article V thereof, to the parties to the Operating Agreement requiring their payment, in accordance with respective percentage shares, of expenses incurred in the development and operation of the Contract Area (as such term is defined in the Operating Agreement). Notwithstanding the foregoing, JIB Invoices does not include any JIB Invoice or account receivable attributable to the Insiders, including but not limited to Barrow Shaver Production, LLC.

“Knowledge” means (i) with respect to Seller, the actual knowledge (without any duty of inquiry) of the CRO, and (ii) with respect to Buyer, the actual knowledge (without any duty of inquiry) of any officer of the Buyer.

“Lease” means any existing oil and gas lease, oil, gas and mineral lease, sublease, and other Hydrocarbon leasehold interest, and the leasehold estates created thereby, including carried interests, rights of recoupment, options, reversionary interests, convertible interests, and rights to reassignment.

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

“Liability” means any direct or indirect, primary or secondary, liability, indebtedness, obligation, penalty, cost or expense (including costs of investigation, collection and defense), claim, deficiency, guaranty or endorsement of or by any Person (other than endorsements of notes, bills, checks, and drafts presented for collection or deposit in the ordinary course of business) of any type, whether accrued, absolute or contingent, known or unknown, liquidated or unliquidated, matured or un-matured, or otherwise.

“Mineral Interests” means all mineral fee interests, non-leasehold mineral rights, and mineral servitudes in which Seller owns an interest, including royalty interests, overriding royalty interests, net

profits interests, production payments, and without limiting the foregoing, other rights of whatever nature, whether legal or equitable, whether vested or contingent.

“NETX Litigation” has the meaning set forth in Section 2.7(a).

“NETX Parties” has the meaning set forth in Section 2.7(a).

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

“ORRI” means an overriding royalty interest, whether properly or improperly conveyed. The classification of an interest as an “ORRI” or overriding royalty interest in this Agreement does not give any legal effect to the nature of the interest.

“Outside Date” shall mean May 1, 2026, or such other date as the Parties mutually agree in writing.

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

“Person” means any individual, corporation (including any non-profit corporation), partnership, limited liability company, joint venture, estate, trust, association, organization or other entity or Governmental Authority.

“Petition Date” has the meaning set forth in the recitals.

“Potential Avoidance Actions” includes the Potential ORRI Avoidance Actions and the Potential WIO Avoidance Actions.

“Potential ORRI Avoidance Actions” has the meaning set for in Section 2.2(a).

“Potential WIO Avoidance Actions” has the meaning set forth in Section 2.2(b).

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

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

“Proceeds” means any form of property, including, but not limited to, legal or equitable interests, cash, interest, penalties, legal fees, fees, damages, settlements, reimbursements, costs, expenses, sanctions, penalties, monetary award, securities, membership interests, partnership interests, liens, security interests, contingent interests, rights or other property paid, distributed by, or on behalf of any party in satisfaction, settlement, or resolution of a cause of action.

“Properties” has the meaning set forth in the Recitals.

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

“Purchase Price Floor” has the meaning set forth in Section 3.3(b).

“Records” has the meaning set forth in Section 2.2(a)(iii) and Section 2.2(a)(iii).

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

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

“Sale Hearing” shall mean the hearing scheduled by the Bankruptcy Court (as the same may be continued from time to time) to consider entry of the Sale Order.

“Sale Order” means an order of the Bankruptcy Court entered pursuant to sections 363 and 365 of the Bankruptcy Code that (i) approves the sale of the Assets to Buyer at Closing pursuant to section 363 of the Bankruptcy Code as contemplated herein and (ii) contains such other provisions as are reasonably acceptable to both Seller and Buyer.

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

“Special Committee” means the committee comprised of Scott O. Shaver, Linda Barrow, and the CRO appointed pursuant to that certain Joint Written Consent of the Members and the Sole Manager of Barrow Shaver Resources Company LLC, dated effective as of August 19, 2024.

“Stipulated Oil and Gas Interests” has the meaning set forth in the Recitals.

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

“Successful Bidder” means the bidder for the Assets with the highest or otherwise superior bid for the Assets as determined in accordance with the Bidding Procedures.

“Surface Interests” means all surface fee interests, surface leases, subsurface leases, rights-of-way, water rights, licenses and easements applicable to, or used or held in connection with the ownership, operation, maintenance or repair of, or the production, gathering, treatment, processing, storing, sale or disposal of hydrocarbons or produced water from, the Properties, together with all surface fee interests in the lands covered by the Properties, excluding any surface use agreements and other surface or subsurface rights agreements.

“Tax” or “Taxes” means (i) all taxes, assessments, fees and other charges of any kind whatsoever imposed by any Governmental Authority, including any federal, state, local and/or foreign income tax, surtax, remittance tax, presumptive tax, net worth tax, special contribution tax, production tax, value added tax, withholding tax, gross receipts tax, windfall profits tax, profits tax, ad valorem tax, personal property tax, real property tax, sales tax, goods and services tax, service tax, transfer tax, use tax, excise tax, premium tax, stamp tax, motor vehicle tax, entertainment tax, insurance tax, capital stock tax, franchise tax, occupation tax, payroll tax, employment tax, unemployment tax, disability tax, alternative or add-on minimum tax and estimated tax, and (ii) any interest, fine, penalty or additions to tax imposed by a Governmental Authority in connection with any item described in clause (i).

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

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

“Third Party” means any Person other than Seller, Buyer, or any of their respective Affiliates.

“Third Party Claimed Interest Escrow Account” has the meaning set forth in Section 3.3(c).

“Third Party Claimed Interest Holder” means the third party(ies) who claim(s) to own a particular Third Party Claimed Interest.

“Third Party Claimed Interests” has the meaning set forth in Section 3.3(a).

“Third Party Claimed Interest Schedule” has the meaning set forth in Section 3.3(a).

“Third Party Claimed Interest Settlement” has the meaning set forth in Section 8.6(b).

“Transaction Documents” means this Agreement, the Asset Purchase Agreement (Lot 1), and any other agreements, instruments or documents entered into pursuant to this Agreement or the Asset Purchase Agreement (Lot 1).

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

“Voluntary Petition Date” has the meaning set forth in the recitals.

“Wells” means those wells included in (i) the Leases and Mineral Interests and (ii) the Surface Interests, all as identified on **Exhibit A**.

“Working Interest” means, with respect to any Well, the interest (expressed as a percentage or a decimal) that is burdened with the obligation to bear and pay costs and expenses of maintenance, development and operations for that Well from those formations in which such Well is currently producing, or with respect to a Well that is not currently producing, the last depth or formation at which it produced, in each case, without regard to the effect of any Royalties.

1.2 Other Definitions and Interpretive Matters.

(a) Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:

Calculation of Time Period. When calculating the period of time before which, within which, or following which any act is to be done or step taken pursuant to this Agreement, if the last day of such period (or if any other date specified in this Agreement for giving any notice or taking any action) is a day other than a Business Day, then the period (or date) in question shall end on (or be deemed to be) the next succeeding Business Day.

Dollars. Any reference in this Agreement to dollars means United States dollars.

Exhibits/Schedules/Disclosure Schedules. All Exhibits, Schedules, and Disclosure Schedules attached or annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit, Schedule, or Disclosure Schedule but not otherwise defined therein shall be defined as set forth in this Agreement. All references in this Agreement to any “Exhibit”, “Schedule”, or “Disclosure Schedule” are to the corresponding Exhibit, Schedule, or Disclosure Schedule of this Agreement, unless otherwise specified.

Gender and Number. Any reference in this Agreement to gender includes all genders, and words imparting only the singular number include the plural and vice versa.

Headings. The provision of a table of contents, the division of this Agreement into Articles, Sections, and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in the construction or interpretation of this Agreement. All references in this Agreement to any “Section” or “Article” are to the corresponding Section or Article of this Agreement, unless otherwise specified.

Herein. Words such as “herein,” “hereof” and “hereunder” refer to this Agreement as a whole and not merely to a subdivision in which such words appear, unless the context otherwise requires.

Including. The word “including” or any variation thereof means “including, without limitation,” and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

(b) No Strict Construction. Buyer and Seller participated jointly in the negotiation and drafting of this Agreement, and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by Buyer and Seller, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement. Without limitation as to the foregoing, no rule of strict construction construing ambiguities against the draftsman shall be applied against any Person with respect to this Agreement.

ARTICLE 2

PURCHASE AND SALE

2.1 Purchase and Sale.

Upon the terms and subject to the conditions of this Agreement and the Sale Order, on the Closing Date, Seller shall sell, transfer, assign, convey, and deliver, or cause to be sold, transferred, assigned, conveyed, and delivered, to Buyer, and Buyer shall purchase from Seller, free and clear of all Encumbrances, the Assets.

2.2 Assets.

The “Assets” shall be limited to all right, title, and interest of Seller in, to, or under the following (after excluding any Excluded Assets):

(a) the following Assets (collectively, the “Potential ORRI Avoidance Actions”):

(i) all potential claims, abatement, variances, allocations, causes of action, claims for relief, choses in action, rights of recovery, audit rights, rights of set-off, rights of indemnity, contribution or recoupment, counter-claims, cross-claims, and defenses of Seller in the ORRIs with respect to the Properties, including those claims attributable to the avoidance of Insider ORRI assignments;

(ii) all potential Proceeds of the Potential ORRI Avoidance Actions; and

(iii) all legal rights of Seller to access or use, information, books, databases, files, records and data (whether in written or electronic format) relating directly to the Potential ORRI Avoidance Actions only to the extent necessary to prosecute or defend the Potential ORRI Avoidance Actions, except for (A) records that Seller is prohibited from disclosing or transferring under any Third Party agreement or applicable law, (B) information entitled to legal privilege, including attorney work product and attorney-client communications (except for title opinions, which shall be included in such

records), (C) economic projections and records of offers from or negotiations with, Buyer or Third Parties with respect to any proposed transfer of any of the Assets and economic analyses associated therewith (collectively, subject to such exclusions, the “ORRI Records”). The ORRI Records shall include, to the extent available and necessary to prosecute or defend the Potential ORRI Avoidance Actions, lease records, well records, well files, production records; and any other Records specifically requested by the Buyer to the extent the Parties mutually agree (but only to the extent transferable without material restriction (including a material restriction against assignment without prior consent)), and any other proprietary data which Seller has in its possession relating to the ownership, operation, development, maintenance or repair of, or the production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or produced water from, the Assets; *provided*, that if access to any ORRI Records can only be provided to Buyer with a fee or penalty, Buyer shall bear responsibility for such fee or penalty.

(b) the following Assets (collectively, the “Potential WIO Avoidance Actions”):

(i) all potential claims, abatement, variances, allocations, causes of action, claims for relief, choses in action, rights of recovery, audit rights, rights of set-off, rights of indemnity, contribution or recoupment, counter-claims, cross-claims, and defenses of Seller to the Working Interests, including those unrecorded Working Interests, with respect to the interest in the Properties currently claimed to be owned by third parties other than Seller;

(ii) all potential claims, abatement, variances, allocations, causes of action, claims for relief, choses in action, rights of recovery, audit rights, rights of set-off, rights of indemnity, contribution or recoupment, counter-claims, cross-claims, and defenses of Seller to the gathering and processing systems used or usable in connection with the Properties, including the incomplete pipeline located in the Hidden Rock Field (the “Hidden Rock Pipeline”) and to all Surface Interests insofar as they relate to the Hidden Rock Pipeline;

(iii) all potential Proceeds of the Potential WIO Avoidance Actions; and

(iv) all legal rights of Seller to access or use information, books, databases, files, records and data (whether in written or electronic format) relating directly to the Potential WIO Avoidance Actions only to the extent necessary to prosecute or defend the Potential WIO Avoidance Actions, except for (A) records that Seller is prohibited from disclosing or transferring under any Third Party agreement or applicable law, (B) information entitled to legal privilege, including attorney work product and attorney-client communications (except for title opinions, which shall be included in such records), (C) economic projections and records of offers from or negotiations with, Buyer or Third Parties with respect to any proposed transfer of any of the Assets and economic analyses associated therewith (collectively, subject to such exclusions, the “WIO Records” and, together with the ORRI Records, the “Records”). The WIO Records shall include, to the extent available and necessary to prosecute or defend the Potential WIO Avoidance Actions, lease records, well records, well files, production records; and any other WIO Records specifically requested by the Buyer to the extent the Parties mutually agree (but only to the extent transferable without material restriction (including a material restriction against assignment without prior consent)), and any other proprietary data which Seller has in its possession relating to the ownership, operation, development, maintenance or repair of, or the production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or produced water from, the Assets; *provided*, that if access to any WIO Records can only be provided to Buyer with a fee or penalty, Buyer shall bear responsibility for such fee or penalty.

(c) All rights of Seller to any recoveries or reimbursements with respect to all amounts invoiced pursuant to JIB Invoices that were issued on or before the Closing by Seller, to the extent not paid to Seller by the Closing Date.

Seller and Buyer acknowledge and agree that the intent behind the Asset Purchase Agreement (Lot 1), Asset Purchase Agreement (Lot 2), and Asset Purchase Agreement (Lot 3) is to convey any asset of value owned by Seller, other than the specifically enumerated Excluded Assets. As a result, by execution of Asset Purchase Agreement (Lot 1), Asset Purchase Agreement (Lot 2), and Asset Purchase Agreement (Lot 3), Seller hereby conveys to Buyer all of Seller's right, title, and interest in and to any property or right, regardless of whether specifically described, other than Excluded Assets specifically enumerated in Asset Purchase Agreement (Lot 1), Asset Purchase Agreement (Lot 2), or Asset Purchase Agreement (Lot 3).

2.3 Excluded Assets.

Notwithstanding the foregoing, all assets of Seller other than the Assets shall be excepted, reserved and excluded from the transaction contemplated hereby (collectively, the "Excluded Assets"), including for the avoidance of doubt the following:

- (a) the Purchase Price paid to Seller pursuant to this Agreement;
- (b) all minute books, stock ledgers, corporate seals and stock certificates of Seller;
- (c) all Executory Contracts related to the Assets not otherwise assumed pursuant to the procedures set forth in the Bidding Procedures and the Bidding Procedures Order;
- (d) all (i) corporate, financial, Tax and legal records of Seller that relates to Seller's business generally (excepting the same to the extent solely relating to the Assets) and (ii) books, records and files that relate to any Excluded Assets;
- (e) any refunds due to Seller by a Third Party for any overpayment of rentals, Royalties, excess royalty interests or production payments attributable to the Assets with respect to any period of time prior to the Closing Date;
- (f) all insurance policies and rights to proceeds thereof;
- (g) all prepayments, good faith and other bid deposits submitted by any Third Party under the terms of the Bidding Procedures Order;
- (h) all claims, refunds, abatement, variances, allocations, causes of action, claims for relief, choses in action, rights of recovery, audit rights, rights of set-off, rights of indemnity, contribution or recoupment, counter-claims, cross-claims and defenses of Seller other than those constituting Assets;
- (i) any ORRI determined by the Bankruptcy Court to be a valid and enforceable ORRI with respect to the Properties that is not subject to avoidance or otherwise unenforceable;
- (j) any Working Interest determined by the Bankruptcy Court to be a valid and enforceable Working Interest with respect to the Properties that is not subject to avoidance or otherwise unenforceable;
- (k) all other claims and causes of action of Seller, including those that may relate to any of the other Excluded Assets;
- (l) any documents or records withheld or not transferred pursuant to the exceptions set forth in Section 2.1(b)(iii), including all documents and instruments of Seller and its Affiliates that are protected by attorney-client privilege; and

(m) any rights, claims, or causes of action of Seller under this Agreement or any other Transaction Document.

2.4 Assumed Liabilities.

Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Buyer shall assume and agree to discharge, when due (in accordance with their respective terms and subject to the respective conditions thereof), all Liabilities arising for, related to or associated with the Potential Avoidance Actions, including, without limitation, all liabilities with respect to counterclaims or counteractions maintained or asserted by the opponent parties thereto, and fees and expenses, including attorneys' fees and litigation costs, relating to the pursuit and prosecution of the Potential Avoidance Actions, to the extent such Liabilities are attributable to periods from and after the Closing Date (collectively, the "Assumed Liabilities").

2.5 Excluded Liabilities.

Notwithstanding any provision in this Agreement to the contrary, Buyer shall not assume and shall not be obligated to pay, perform or otherwise discharge any Liability of Seller other than the Assumed Liabilities (such Liabilities other than Assumed Liabilities, collectively, the "Excluded Liabilities").

2.6 Further Assurances.

The Parties agree to (a) furnish upon request to each other such further information, (b) execute, acknowledge and deliver to each other such other documents, and (c) do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement and the Transaction Documents; *provided*, that Seller's covenants and obligations after Closing shall be limited to the extent Seller has employees and resources available for such purposes and *provided, further* that nothing in this Section 2.6 or otherwise in this Agreement shall prohibit Seller from ceasing operations or winding up its affairs following the Closing.

2.7 NETX Litigation.

(a) Seller has informed Buyer that Seller is a party to those cases identified on Schedule 2.7 (collectively, the "NETX Litigation"), which cases were initiated by NETX Acquisitions, LLC ("NETX"), ETX Minerals, LLC ("ETX Minerals"), and ETX Oil & Gas, LLC ("ETX Oil & Gas") and together with NETX and ETX Minerals, the "NETX Parties") on the dates indicated on Schedule 2.7.

(b) Buyer understands that at the time that any Third Party Claimed Interest becomes a Cleared Interest in accordance with Section 3.3 and/or Section 8.6 of this Agreement, Buyer will take such Cleared Interest subject to the NETX Litigation and, notwithstanding anything to the contrary, that Seller makes no representations regarding the potential outcome of the NETX Litigation.

ARTICLE 3

PURCHASE PRICE

3.1 Purchase Price.

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

(a) cash in an amount equal to \$32,480,000 (the “Cash Consideration”), which shall be delivered by Buyer as set forth in Section 3.3; and

(b) the assumption of the Assumed Liabilities.

3.2 Deposit.

(a) Concurrently with the execution of this Agreement, Buyer shall pay over to Seller an amount of \$3,248,000, which amount is equal to ten percent (10%) of the Purchase Price (such amount, together with any interest accrued thereon prior to the Closing Date, the “Deposit”). The Deposit shall be deposited by Seller at Closing into a separate, interest-bearing bank account (the “Deposit Account”) with a federally insured banking institution, with the Deposit to be withdrawn and disbursed by Seller from such account in accordance with the remainder of this Section 3.2.

(b) Following the execution of this Agreement, subject to Section 3.2(d) below, Seller shall be entitled to withdraw funds from the Deposit Account from time to time as necessary for purposes of payment of administrative expenses (including without limitation filing fees and legal fees) associated with the Bankruptcy Case.

(c) Any amount remaining in the Deposit Account may be withdrawn by Seller from the Deposit Account upon the earliest of the following:

(i) the Closing; or

(ii) the date this Agreement is terminated by Seller pursuant to Section 11.1(c)(i) or Section 11.1(c)(iii) hereof (such termination being a “Buyer Default Termination”).

If the Closing occurs, the Deposit shall be retained by Seller and credited against the Purchase Price. Within five Business Days following a Buyer Default Termination, Seller may withdraw all funds remaining in the Deposit Account, which may thereafter be retained by Seller for its own account.

(d) The Deposit shall be returned to Buyer by Seller from the Deposit Account upon the earliest to occur of the following:

(i) the date this Agreement is terminated by either Buyer or Seller pursuant to Section 11.1(a) hereof; or

(ii) the date this Agreement is terminated by Buyer pursuant to Section 11.1(b).

Within five Business Days following the occurrence of the earliest event described in subsections (i) and (ii) above of this subsection (d), Seller shall return the Deposit, or to the extent the amount in the Deposit Account is less than the amount of the Deposit, return the amount remaining in the Deposit Account (the “Remaining Deposit Account Funds”) to Buyer by wire transfer of immediately available funds to the account designated in writing by Buyer. In addition, Seller agrees to not oppose a claim by Buyer that the amount of the Deposit, less the Remaining Deposit Account Funds returned to Buyer, shall constitute an administrative expense of Seller under section 503(b) and 507(a)(2) of the Bankruptcy Code, payable by Seller to Buyer as part of the closing of an Alternative Transaction.

(e) The Parties further acknowledge and agree that Seller’s entitlement to the Deposit under Section 3.2(b) shall constitute liquidated damages (and not a penalty) and, if the Deposit is delivered

to Seller in accordance with Section 3.2(c)(ii), then, except in the event of (x) fraud by Buyer or (y) a knowing and intentional breach by Buyer of any of its representations, warranties, covenants or agreements contained in this Agreement (any such breach described in subsection (y) being a “Buyer Intentional Breach”), such Deposit shall be the sole and exclusive remedy available to Seller and any other Person against Buyer in connection with this Agreement, the other Transaction Documents, and the transactions contemplated hereby or thereby (including as a result of the failure to consummate the Closing or for a breach or failure to perform hereunder or otherwise). Notwithstanding the limitations set forth in the foregoing sentence, in the event of (x) fraud by Buyer or (y) a Buyer Intentional Breach, Seller may pursue both a grant of specific performance in accordance with Section 13.16 and Damages, including retention of all or any portion of the Deposit pursuant to this Section 3.2.

3.3 Delivery of Cash Consideration. The Cash Consideration, *less* the amount of the Deposit, shall be payable by Buyer to Seller at the Closing as follows:

(a) Buyer shall deposit an amount equal to \$5,000,000 into a separate, interest-bearing bank account (the “Avoidance Litigation Account”) with a federally insured banking institution. The funds in the Avoidance Litigation Account shall serve to finance all costs and expenses incurred by Seller (or its successor in interest) after the Execution Date in connection with (i) administrative expenses associated with the Bankruptcy Case, (ii) the transfer of Seller’s right, title and interest in the Potential Avoidance Actions to a liquidation trust established and approved by the Bankruptcy Court as a successor in interest to Seller, (iii) all legal action necessary to prosecute the Potential Avoidance Actions in accordance with Section 8.6, including without limitation, all legal fees, filing fees, administrative fees and other fees and expenses incurred by Seller in connection with clearing title with respect to the ORRIs and Working Interests in the Properties currently claimed to be owned by third parties other than Seller (collectively, the “Third Party Claimed Interests”), each as more particularly identified on Schedule 3.3(a) of this Agreement (the “Third Party Claimed Interest Schedule”), and (iv) all legal action taken in connection with the NETX Litigation. The Third Party Claimed Interest Schedule sets forth the value mutually agreed by the Parties for each Third Party Claimed Interest (such value, the “Claimed Interest Value”). Seller (and any successor in interest to Seller) shall be granted access to withdraw funds from the Avoidance Litigation Account in connection with Seller’s prosecution of the Potential Avoidance Actions in accordance with Section 8.6. If any funds remain in the Avoidance Litigation Account following the final resolution of all Potential Avoidance Actions, such remaining funds shall be paid to Buyer. Buyer may have access to the Avoidance Litigation Account for purposes of viewing the activity of the funds in such account, but Buyer shall not be entitled to withdraw any funds from the Avoidance Litigation Account for any reason without the prior written consent of Seller.

(b) Buyer shall pay Seller cash in the amount of \$12,992,000 pursuant to wire transfer of immediately transferable funds to an account identified in writing by Buyer prior to the Closing (the “Purchase Price Floor”). Notwithstanding anything to the contrary in this Agreement, the Parties agree that the Purchase Price Floor, which represents 50% of the Cash Consideration, is the minimum amount required to be paid by Buyer to Seller for the Assets pursuant to this Agreement. Buyer shall not be required to make any Cleared Interest Payments to Seller pursuant to Section 3.3(c) until the aggregate amount of the Cleared Interest Payments owed to Seller exceed the Purchase Price Floor. For avoidance of doubt, Buyer shall pay to Seller at least \$16,240,000 in Cleared Interest Payments.

(c) Buyer shall deposit the remainder of the Cash Consideration in the amount of \$11,240,000 into an escrow account (the “Third Party Claimed Interest Escrow Account”) with a nationally recognized financial institution acting as escrow agent (the “Escrow Agent”). At such time as Clear Title has been established with respect to any of the Third Party Claimed Interests (any Third Party Claimed Interest with Clear Title being referred to as the “Cleared Interest”), Buyer shall provide written notice to Seller of the Cleared Interest, and within three Business Days following the date of such notice, the Parties

shall issue a joint written instruction instructing the Escrow Agent to release from the Third Party Claimed Interest Escrow Account the payment to be made to Seller Buyer has identified as being the amount necessary to cause a Third Party Claimed Interest to become a Cleared Interest (the “Cleared Interest Payment”). If Buyer fails to issue such joint written instruction, Seller shall be entitled to seek an enforcement action with the Bankruptcy Court. The procedure set forth above in this Section 3.3(c) shall apply each time and from time to time that Clear Title has been established with respect to any of the Third Party Claimed Interests, until (i) Clear Title has been established with respect to all Third Party Claimed Interests or (ii) Buyer determines in accordance with Section 8.6(e) that any Third Party Claimed Interest will not be capable of becoming a Cleared Interest or that a Third Party Claimed Interest Settlement will not occur with respect to such Third Party Claimed Interest, in which case Section 8.6(e) shall control. Upon request by Buyer, Seller shall execute all documents reasonably requested by Buyer to confirm Clear Title in Buyer and, to the extent necessary, to transfer such Cleared Interest to Buyer.

ARTICLE 4

CLOSING

4.1 Closing Date.

Upon the terms and subject to the conditions hereof, the closing of the sale of the Assets and the assumption of the Assumed Liabilities contemplated hereby (the “Closing”) shall take place remotely by teleconference or at the offices of Jones Walker, Suite 2900, 811 Main Street, Houston, Texas 77002, at the same time the closing pursuant to the Asset Purchase Agreement (Lot 1) occurs. The date on which the Closing actually occurs is hereinafter referred to as the “Closing Date” and the Closing shall be effective as of the Effective Time.

4.2 Payment on the Closing Date.

Subject to satisfaction or, if permissible, waiver of the conditions set forth in Article 9 and Article 10, at the Closing (by the party entitled to grant such waiver as the intended beneficiary of such conditions), Buyer shall pay, or cause to be paid, the Cash Consideration, *minus* the amount of the Deposit, by wire transfer of immediately available funds to the accounts as specified in Sections 3.3(a), 3.3(b), and 3.3(c).

4.3 Buyer’s Deliveries.

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

- (a) the Cash Consideration to the Seller in accordance with Section 4.2;
- (b) this Agreement and each other Transaction Document to which Buyer is a party, duly executed (and acknowledged, where applicable) by Buyer;
- (c) a certificate duly executed by an authorized officer of Buyer, dated as of the Closing, certifying on behalf of Buyer that the covenants in Sections 10.1 and 10.3 have been duly performed by Buyer and complied with in all material respects;
- (d) a certificate duly executed by an authorized officer of Buyer, dated as of the Closing, (i) attaching and certifying on behalf of Buyer complete and correct copies of the resolutions of the board of directors or other equivalent governing body of Buyer authorizing the execution, delivery, and performance by Buyer of this Agreement and the transactions contemplated hereby, which resolutions or

consent shall be dated prior to the date of this Agreement, and (ii) certifying on behalf of Buyer the incumbency of each officer of Buyer executing this Agreement or any document delivered in connection with the Closing; and

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

4.4 Seller's Deliveries.

At the Closing, Seller shall deliver to Buyer:

(a) this Agreement and each other Transaction Document to which Seller is a party, duly executed by the Seller;

(b) a copy of the Sale Order;

(c) a certificate duly executed by the CRO, dated as of the Closing, certifying on behalf of Seller that the covenants in Section 9.1 and Section 9.2 have been duly performed by Seller and complied with in all material respects;

(d) (i) a certificate duly executed by the CRO, dated as of the Closing, (A) attaching and certifying on behalf of Seller complete and correct copies of the resolutions or unanimous consent of the Special Committee authorizing the execution, delivery, and performance by Seller of this Agreement and the transactions contemplated hereby, which resolutions or consent shall be dated prior to the date of this Agreement, and (B) certifying on behalf of Seller the incumbency of the CRO executing this Agreement or any document delivered in connection with the Closing; or (ii) as an alternative to the certificate described in Section 4.4(d)(i), the Sale Order shall include a finding from the Bankruptcy Court that the CRO is authorized to execute this Agreement and any document delivered in connection with the Closing and to cause Seller to deliver and perform all obligations of Seller under this Agreement; and

(e) such instruments of conveyance and transfer, in form reasonably satisfactory to Buyer, as Buyer may reasonably request to vest in Buyer all the right, title and interest of Seller in, to or under any or all the Assets.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF SELLER

Except as disclosed in the Disclosure Schedules attached hereto, Seller represents and warrants the following to Buyer:

5.1 Organization and Good Standing.

To the best of Seller's Knowledge, (a) Seller is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and (b) Seller has the requisite partnership power and authority to own or lease and to operate and use its properties and to carry on its business as now conducted.

5.2 Authority; Validity; Consents.

Seller has, subject to requisite Bankruptcy Court approval, the requisite partnership or corporate power and authority necessary to enter into and perform its obligations under this Agreement and the other Transaction Documents to which Seller is a party and to consummate the transactions contemplated hereby and thereby, and, subject to requisite Bankruptcy Court approval, the execution, delivery and performance of this Agreement and such other Transaction Documents by Seller and the consummation by Seller of the transactions contemplated herein and therein have been duly and validly authorized by all requisite partnership action. This Agreement has been duly and validly executed and delivered by Seller and each other Transaction Document required to be executed and delivered by Seller at the Closing will be duly and validly executed and delivered by Seller at the Closing. Subject to requisite Bankruptcy Court approval, this Agreement and the other Transaction Documents which Seller is party thereto constitute the legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, except as such enforceability is limited by general principles of equity. Subject to requisite Bankruptcy Court approval, to Seller's Knowledge, except (a) for entry of the Sale Order, (b) for notices, filings and consents required in connection with the Bankruptcy Case, and (c) for the notices, filings and consents set forth on Disclosure Schedule 5.2, Seller is not required to give any notice to, make any filing with or obtain any consent from any Person (including any Governmental Authority) in connection with the execution and delivery of this Agreement and the other Transaction Documents or the consummation or performance of any of the transactions contemplated hereby and thereby, except as would not, individually or in the aggregate, have a Material Adverse Effect.

5.3 Title to Potential Avoidance Actions.

Seller represents and warrants that (a) Seller is the sole owner of all rights and claims in connection with the Potential Avoidance Actions, including the right to receive any Proceeds realized or recovered therefrom, (b) that no party has asserted any lien, security interest, contingent interest, equitable interest, participation, setoff, or encumbrance on the same, and (c) the Seller has full right, power, and authority to transfer and assign the Potential Avoidance Actions and Proceeds thereof.

5.4 Bankruptcy.

From the Voluntary Petition Date through the date that this Agreement is executed, Seller has been at all times in its Bankruptcy Case a debtor in possession pursuant to section 1107 of the Bankruptcy Code, and no trustee or examiner has been appointed in the Bankruptcy Case.

5.5 No Other Representations or Warranties; Disclaimers.

(a) **THE ASSETS ARE BEING SOLD "AS IS," "WHERE IS," AND "WITH ALL FAULTS AS TO ALL MATTERS."**

(b) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, EXCEPT AS AND TO THE EXTENT EXPRESSLY SET FORTH IN THIS AGREEMENT AND IN THE TRANSACTION DOCUMENTS, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, AND DISCLAIMS ALL LIABILITY AND RESPONSIBILITY FOR ANY REPRESENTATION, WARRANTY, STATEMENT OR INFORMATION MADE OR COMMUNICATED (ORALLY OR IN WRITING) TO BUYER (INCLUDING ANY OPINION, INFORMATION, OR ADVICE THAT MAY HAVE BEEN PROVIDED TO BUYER BY ANY AFFILIATE OR REPRESENTATIVE OF SELLER OR BY ANY INVESTMENT BANK OR INVESTMENT BANKING FIRM, ANY PETROLEUM ENGINEER OR ENGINEERING

FIRM, SELLER'S COUNSEL, OR ANY OTHER AGENT, CONSULTANT, OR REPRESENTATIVE OF SELLER).

(c) Seller does not make any representation or warranty to Buyer as to transferability or assignability of operatorship of the Assets or the ability of Buyer or any other Person to be designated or qualified as the operator of the Assets.

(d) **SELLER AGREES THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS OF CERTAIN REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE 5 AND THE REST OF THIS AGREEMENT ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSE OF ANY APPLICABLE LEGAL REQUIREMENTS.**

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

6.1 Organization and Good Standing.

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

6.2 Authority; Validity; Consents.

Buyer has the requisite power and authority necessary to enter into and perform its obligations under this Agreement and the other Transaction Documents to which it is a party and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance of this Agreement by Buyer and the consummation by Buyer of the transactions contemplated herein have been duly and validly authorized by all requisite limited liability company or corporate actions in respect thereof. This Agreement has been duly and validly executed and delivered by Buyer and each other Transaction Document to which Buyer is a Party will be duly and validly executed and delivered by Buyer, as applicable, at the Closing. This Agreement and the other Transaction Documents to which Buyer is a party constitute the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms, except in each case as such enforceability is limited by bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter in effect relating to creditors' rights generally or general principles of equity. Buyer is not or will not be required to give any notice to or obtain any consent from any Person in connection with the execution and delivery of this Agreement and the other Transaction Documents to which it is a Party or the consummation or performance of any of the transactions contemplated hereby or thereby, except for such notices, filings and consents, the failure of which to provide, make or obtain, would not, individually or in the aggregate, affect Buyer's ability to perform its obligations under this Agreement or any other Transaction Documents or to consummate the transactions contemplated hereby or thereby.

6.3 No Conflict.

The execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions provided for herein and therein will not result in the breach of any of the terms and provisions of, or constitute a default under, or conflict with, or cause any acceleration of any

obligation of Buyer under (a) any agreement, indenture, or other instrument to which it is bound, (b) the partnership agreement, bylaws or other governing documents of Buyer, as applicable, (c) any Order or (d) any Legal Requirement.

6.4 Availability of Funds.

At Closing, Buyer will have sufficient cash in immediately available funds (without giving effect to any unfunded financing, regardless of whether any such financing is committed) to pay the Purchase Price and all costs, fees and expenses to be paid by Buyer that are necessary to consummate the transactions contemplated by this Agreement and the other Transaction Documents, and assume the Assumed Liabilities.

6.5 Litigation.

There are no Proceedings pending or, to the Knowledge of Buyer, threatened, that would affect Buyer's ability to perform its obligations under this Agreement or any other Transaction Documents or to consummate the transactions contemplated hereby or thereby.

6.6 Brokers or Finders.

Neither Buyer nor any Person acting on behalf of Buyer has paid or become obligated to pay any fee or commission to any broker, finder, investment banker, agent or intermediary for or on account of the transactions contemplated by this Agreement for which Seller is or will become liable, and Buyer shall hold harmless and indemnify Seller from any claims with respect to any such fees or commissions.

6.7 Independent Investigation.

Buyer is (or its advisors are) experienced and knowledgeable in the oil and gas business and are aware of the risks of such business. Buyer acknowledges and affirms that it is solely responsible for making its independent investigation, verification, analysis, evaluation and valuation of the Assets and making all such reviews and inspections of the Assets as it deems necessary or appropriate to consummate the transactions contemplated hereby. Except for the representations and warranties expressly made by Seller in Article 5 of this Agreement or the certificate to be delivered to Buyer pursuant to Section 4.4(c) of this Agreement, Buyer acknowledges that there are no representations or warranties, express or implied, as to the financial condition, Liabilities, operations, business, condition, volume, recoverability, value or prospects of the Assets and that, in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer has relied solely upon its own independent investigation, verification, analysis, and evaluation. Buyer understands and acknowledges that neither the United States Securities and Exchange Commission nor any federal, state, or foreign agency has passed upon the Assets or made any finding or determination as to the fairness of an investment in the Assets or the accuracy or adequacy of the disclosures made to Buyer, and, except as set forth in Article 11, Buyer is not entitled to cancel, terminate or revoke this Agreement.

6.8 Bankruptcy.

There are no bankruptcy, reorganization or receivership proceedings pending, being contemplated by or, to Buyer's Knowledge, threatened in writing against Buyer or any Affiliate of Buyer. Buyer is not (and will not be upon, or by virtue of, the consummation of the transactions contemplated hereby) insolvent.

6.9 Acknowledgement of Disclaimers.

(a) **BUYER ACKNOWLEDGES AND AGREES THAT, WITHOUT LIMITATION OF THE OTHER TERMS OF THIS AGREEMENT AND THE OTHER TRANSACTION DOCUMENTS, CLAIMS OR PROCEEDINGS AGAINST SELLER OR TO WHICH SELLER IS OR MAY BECOME A PARTY BEFORE, ON, OR AFTER THE CLOSING MAY HAVE AN EFFECT ON THE CALCULATION OF, AND LIABILITY WITH RESPECT TO, TAXES, ROYALTIES, RENTALS, AND OTHER PAYMENT OBLIGATIONS OF BUYER ARISING UNDER THIS AGREEMENT AFTER THE CLOSING DATE RELATING TO THE ASSETS AND THE ASSUMED LIABILITIES. RESPONSIBILITY UNDER THIS AGREEMENT FOR THE PAYMENT OF ANY DAMAGES, LOSSES OR CLAIMS WITH RESPECT TO ANY OF THE FOREGOING, THE EXCLUDED LIABILITIES AND OTHER LIABILITIES OF SELLER HEREUNDER SHALL NOT INCLUDE, AND BUYER HEREBY EXPRESSLY RELEASES SELLER GROUP, ANY LIABILITY OR RESPONSIBILITY ARISING OUT OF OR RELATING TO ANY EFFECT THAT THE OUTCOME OR SETTLEMENT OF ANY SUCH CLAIMS OR PROCEEDINGS MAY HAVE ON THE CALCULATION OF TAXES, ROYALTIES, RENTALS, AND OTHER PAYMENT OBLIGATIONS OF BUYER ARISING AFTER THE CLOSING DATE. WITHOUT LIMITATION OF SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES OR BUYER'S RIGHTS UNDER OTHER PROVISIONS OF THIS AGREEMENT AND THE OTHER TRANSACTION DOCUMENTS FOR THE AVOIDANCE OF DOUBT, BUYER ACKNOWLEDGES AND AGREES THAT BUYER CANNOT RELY ON OR FORM ANY CONCLUSIONS FROM SELLER'S METHODOLOGIES FOR (A) THE CALCULATION AND REPORTING OF PRODUCTION AND ROYALTIES ATTRIBUTABLE TO PRODUCTION PRIOR TO THE CLOSING DATE, OR (B) THE DETERMINATION AND REPORTING OF ANY ASSET TAXES THAT WERE UTILIZED FOR ANY TAX PERIOD (OR PORTION THEREOF) BEGINNING PRIOR TO THE CLOSING DATE FOR PURPOSES OF CALCULATING AND REPORTING ASSET TAXES ATTRIBUTABLE TO ANY TAX PERIOD (OR PORTION THEREOF) BEGINNING AFTER THE CLOSING DATE, IT BEING UNDERSTOOD THAT BUYER MUST MAKE ITS OWN DETERMINATION AS TO THE PROPER METHODOLOGIES THAT CAN OR SHOULD BE USED FOR ANY SUCH LATER TAX RETURN.**

(b) Buyer acknowledges and affirms that it has made its own independent investigation, analysis, and evaluation of the transactions contemplated hereby and the Assets, and an independent assessment and appraisal of the environmental risks associated with the acquisition of the Assets. Buyer acknowledges that in entering into this Agreement, it has relied only on the aforementioned investigation and the express representations and warranties of Seller contained in this Agreement and the Transaction Documents. Buyer hereby irrevocably covenants to refrain from, directly or indirectly, asserting any claim, or commencing, instituting, or causing to be commenced, any Proceeding of any kind against Seller or its Affiliates, alleging facts contrary to the foregoing acknowledgment and affirmation.

(c) **BUYER AGREES THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW TO BE EFFECTIVE, THE DISCLAIMERS OF CERTAIN REPRESENTATIONS AND WARRANTIES CONTAINED IN ARTICLE 5 AND THE REST OF THIS AGREEMENT ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSE OF ANY APPLICABLE LEGAL REQUIREMENTS.**

ARTICLE 7

ACTIONS PRIOR TO THE CLOSING DATE

7.1 Operations Prior to the Closing Date.

Seller covenants and agrees that, except (w) as expressly contemplated by this Agreement, (x) with the prior written consent of Buyer (which consent shall not be unreasonably withheld, conditioned or delayed); (y) as otherwise required by Legal Requirements (including as required under the Bankruptcy Code); or (z) as permissible under the Bidding Procedures and the Bidding Procedures Order, after the date of this Agreement and prior to the Closing Date, Seller shall not:

- (a) exercise any election to abandon any Assets; or
- (b) sell, lease, encumber, or otherwise dispose of all or any portion of any Assets.

Notwithstanding the foregoing provisions of this Section 7.1, in the event of an emergency or as ordered by the Bankruptcy Court, Seller may take such action as reasonably necessary and shall notify Buyer of such action promptly thereafter. The acts or omissions of third Persons who are not controlled Affiliates of Seller shall not constitute a violation of the provisions of this Section 7.1, nor shall any action required by a vote of working interest owners constitute such a violation so long as the Seller has voted its interests in a manner consistent with the provisions of this Section 7.1.

7.2 Reasonable Commercial Efforts.

(a) Each of Seller and Buyer shall use reasonable commercial efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other in doing, all things necessary, proper or advisable to consummate as soon as practicable, the transactions contemplated by this Agreement, including using reasonable commercial efforts to: (i) cause the conditions precedent set forth in Article 9 and Article 10 to be satisfied, (ii) obtain, at the earliest practicable date, all necessary Governmental Authorizations and to make all necessary registrations, declarations and filings (including registrations, declarations and filings with Governmental Authorities, if any) and to take all reasonable steps as may be necessary to avoid any Proceeding by any Governmental Authority, and (iii) execute or deliver any additional instruments necessary to consummate the transactions contemplated hereby and to carry out the purposes of this Agreement.

(b) Each of Seller and Buyer (i) shall promptly inform each other of any communication from any Governmental Authority concerning this Agreement, the transactions contemplated hereby, and any filing, notification or request for approval and (ii) shall permit the other to review in advance any proposed written or material oral communication or information submitted to any such Governmental Authority in response thereto. In addition, neither Party shall participate, or agree to participate in any meeting with any Governmental Authority with respect to any filings, investigation or other inquiry with respect to this Agreement or the transactions contemplated hereby, unless such Party consults with the other Party in advance and, to the extent permitted by any such Governmental Authority, gives the other Party the opportunity to attend and participate in such meeting, in each case to the extent practicable. Subject to any restrictions under applicable laws, rules or regulations, each of Buyer and Seller shall furnish the other with copies of all correspondence, filings and communications (and memoranda setting forth the substance thereof) between it, its Affiliates and its respective Representatives and any Governmental Authority or members of its staff with respect to this Agreement, the transactions contemplated hereby (excluding documents and communications which are subject to preexisting confidentiality agreements or to the attorney-client privilege or work product doctrine) or any such filing,

notification or request for approval. Each Party shall also furnish the other Party with such necessary information and assistance as such other Party and its Affiliates may reasonably request in connection with their preparation of necessary filings, registration or submissions of information to a Governmental Authority in connection with this Agreement, the transactions contemplated hereby and any such filing, notification or request for approval.

7.3 Bankruptcy Court Approval.

(a) Buyer understands that this Agreement and the consummation of the transactions contemplated hereby are subject to Bankruptcy Court approval, and to obtain such approval, Seller must demonstrate that it has taken reasonable steps to obtain the highest and best offer for the Assets, including giving notice of the transactions contemplated by this Agreement to creditors and other interested parties as ordered by the Bankruptcy Court.

(b) If any party other than Buyer or Seller appeals or seeks a stay of the Sale Order, Seller shall promptly notify Buyer of such appeal or stay request and shall provide to Buyer promptly a copy of the related notice of appeal or order of stay. Seller shall also provide Buyer with written notice of any motion or application filed in connection with any appeal from either of such orders.

(c) From and after the date of execution of this Agreement and prior to the Closing or the termination of this Agreement in accordance with Section 11.1, Seller shall not take any action which is intended to (or is reasonably likely to), or fail to take any action the intent (or the reasonably likely result) of which failure to act is to, result in the reversal, voiding, modification or staying of the Sale Order or this Agreement.

7.4 Bankruptcy Filings.

Subject to Section 7.3, Seller shall pursue diligently the entry of the Sale Order; *provided that*, and notwithstanding anything herein to the contrary, Seller, in all instances, shall act in accordance with its fiduciary obligations and obligations owed under the Bankruptcy Code. Buyer agrees that it shall promptly take such actions as are reasonably requested by Seller to assist Seller in obtaining entry of the Sale Order (after Buyer has had an opportunity to review and comments on the form and substance of the Sale Order) and a finding by the Bankruptcy Court that Buyer is a “good faith” purchaser under section 363(m) of the Bankruptcy Code. In the event that the entry of the Sale Order is appealed or a stay pending appeal is sought, Seller shall oppose the appeal or the stay pending appeal and seek the dismissal of any appeal (including a petition for certiorari, motion for rehearing, re-argument, reconsideration or revocation). Notwithstanding the foregoing, any resulting changes to this Agreement or any related document or resulting material changes to the Sale Order shall be subject to the approval of Buyer in its reasonable discretion. Seller shall (i) provide Buyer with drafts of any and all other pleadings and proposed orders to be filed or submitted in connection with this Agreement and the transactions contemplated hereby, and such pleadings and proposed orders shall be in form and substance reasonably acceptable to Buyer and (ii) make reasonable efforts to consult and cooperate with Buyer regarding any discovery taken in connection with seeking entry of the Sale Order (including any depositions).

7.5 Bidding Procedures.

Buyer agrees and acknowledges that Seller, including through its Representatives, is and may continue to take such actions as are mandated by the Bidding Procedures and the Bidding Procedures Order, including for the avoidance of doubt, the termination of this Agreement at any time prior to Closing if mandated by such Bidding Procedures or Bidding Procedures Order.

7.6 Back-up Bidder.

If an Auction is conducted and Seller does not choose Buyer as the Successful Bidder, but instead chooses Buyer as the Back-up Bidder, Buyer will be the Back-up Bidder. If Buyer is chosen as the Back-up Bidder, Buyer will be required to keep its bid to consummate the transactions contemplated by this Agreement on the terms and conditions set forth in this Agreement (as may be amended with Buyer's written consent prior to or at the Auction) open and irrevocable until the closing of the sale of the Assets to the Successful Bidder. If the Successful Bid with the Successful Bidder is terminated prior to closing, Buyer will be deemed to be the Successful Bidder and will promptly proceed to consummate the transactions contemplated by this Agreement on the terms and conditions set forth in this Agreement (as the same may be amended with Buyer's written consent prior to or at the Auction).

ARTICLE 8

ADDITIONAL AGREEMENTS

8.1 Taxes.

(a) Any transfer, documentary, sales, use, stamp, registration and other such Taxes, and all conveyance fees, recording charges and other fees and charges (including any penalties and interest) incurred in connection with the consummation of the transactions contemplated by this Agreement (collectively, the "Transfer Taxes") shall be borne by and paid by Buyer when due. Seller and Buyer shall use commercially reasonable efforts and cooperate in good faith to exempt the sale and transfer of the Assets from any Transfer Taxes, including under section 1146(a) of the Bankruptcy Code. Buyer will, at its own expense, timely file all necessary Tax Returns and other documentation with respect to all Transfer Taxes, and, if required by applicable law, rule or regulation, the Parties will, and will cause their Affiliates to, join in the execution of any such Tax Returns and other documentation.

(b) Seller shall retain responsibility for, and shall bear and pay, all ad valorem, property, excise, severance, production or similar Taxes based upon operation or ownership of the Assets or the production of Hydrocarbons or the receipt of proceeds therefrom (but excluding, for the avoidance of doubt, income, franchise and similar Taxes and Transfer Taxes) (collectively, the "Asset Taxes") for (i) any period ending prior to the Effective Time and (ii) the portion of any Straddle Period ending prior to the Effective Time. For purposes of allocation between the Parties of Asset Taxes assessed with respect to the Assets that are payable with respect to any tax periods beginning before and ending after the Effective Time ("Straddle Periods"), the portion of any such Taxes that are attributable to the portion of the Straddle Period that ends prior to the Effective Time shall (A) in the case of such Asset Taxes that are based upon or related to income or receipts or imposed on a transactional basis such as severance or production Taxes, be allocated based on revenues from sales occurring before the Effective Time (which shall be Seller's responsibility) and on or after the Effective Time (which shall be Buyer's responsibility); and (B) in the case of other Asset Taxes, be allocated pro rata per day between the period prior to the Effective Time (which shall be Seller's responsibility) and the period on and after the Effective Time (which shall be Buyer's responsibility). For purposes of clause (A) and (B) of the preceding sentence, any exemption, deduction, credit or other item that is calculated on an annual basis shall be allocated pro rata per day between the period ending prior to the Effective Time and the period beginning on and after the Effective Time. At the Closing, Asset Taxes for the applicable Straddle Period shall be prorated in accordance with the foregoing provisions based on the Asset Tax assessment for such Straddle Period, if available, or if otherwise, based on the Asset Taxes paid during the preceding Tax period. With respect to any not yet delinquent Asset Taxes relating to a Tax year ending after the Closing Date, Buyer assumes responsibility for the payment of all such Asset Taxes to the applicable Governmental Authority. With respect to any Asset Taxes relating to a Straddle Period or pre-Closing Tax Period that are delinquent as of the Closing

Date, the amount of which is known and not subject to dispute, Buyer shall pay the delinquent amount of such Taxes directly to the applicable Governmental Authority at the Closing.

(c) Seller or Buyer, as the case may be (the “Reimbursing Party”), shall provide reimbursement for any Tax paid by the other (the “Paying Party”) all or a portion of which is the responsibility of the Reimbursing Party in accordance with the terms of this Section 8.1. Within a reasonable time prior to the payment of any such Tax, the Paying Party shall give notice to the Reimbursing Party of the Tax payable and the Paying Party’s and Reimbursing Party’s respective Liability therefor (together with the supporting calculation of such Taxes and Liability), although failure to do so will not relieve the Reimbursing Party from its Liability hereunder except to the extent the Reimbursing Party is prejudiced thereby. Any amounts which may become payable from Seller to Buyer pursuant to this Section 8.1 shall constitute a super priority administrative expense of Seller under section 364(c)(1) of the Bankruptcy Code with priority over any and all administrative expenses of the kind specified in sections 503(b) or 507(b) of the Bankruptcy Code.

(d) From and after Closing Buyer and Seller agree to furnish or cause to be furnished to each other, upon request, as promptly as practicable, such information and assistance relating to the Assets (including access to books and records and Tax Returns and related working papers dated before Closing) as is reasonably necessary for the filing of all Tax Returns, the making of any election relating to Taxes, the preparation for any audit by any taxing authority, the prosecution or defense of any claims, suit or proceeding relating to any Tax, and the claiming by Buyer of any federal, state or local business tax credits or incentives that Buyer may qualify for in any of the jurisdictions in which any of the Assets are located; *provided, however*, that neither Buyer nor Seller shall be required to disclose the contents of its income Tax Returns to any Person. Any expenses incurred in furnishing such information or assistance pursuant to this Section 8.1(d) shall be borne by the Party requesting it.

8.2 Allocation of Purchase Price.

The Purchase Price shall be allocated among the Assets as set forth in Schedule 8.2(a) hereto, and the portion of the Purchase Price allocated to each Asset is referred to herein as the “Allocated Value” of such Asset. Seller and Buyer agree to be bound by the Allocated Values set forth in Schedule 8.2(a) and Schedule 8.2(b) for purposes of this Agreement. Schedule 8.2(b) sets forth the allocation of the Purchase Price and any liabilities assumed by Buyer under this Agreement that are treated as consideration for Tax purposes among the Assets in accordance with section 1060 of the Code, and the regulations thereunder (the “Tax Allocation”). Seller and Buyer agree that the Tax Allocation shall be prepared in a manner consistent with the Allocated Values, as set forth on Schedule 8.2(a). Seller and Buyer each agree to report, and to cause their respective Affiliates to report, the federal, state and local income and other Tax consequences of the transactions contemplated herein, and in particular to report the information required by section 1060(b) of the Code, and to jointly prepare Form 8594 (Asset Acquisition Statement under section 1060 of the Code) as promptly as possible following the Closing Date and in a manner consistent with the Tax Allocation as revised to take into account subsequent adjustments to the Purchase Price, including any adjustments pursuant to the Agreement to determine the Purchase Price, and shall not take any position inconsistent therewith upon examination of any Tax return, in any refund claim, in any litigation, investigation, or otherwise, unless required to do so by a determination as defined in section 1313(a) of the Code (or corresponding provision of state Tax Law), or with the Party’s prior consent.

8.3 Bulk Sales.

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

8.4 Reserved.

8.5 Post-Closing Books and Records and Personnel.

For five years after the Closing Date (or such longer period as may be required by any Governmental Authority or ongoing claim), (a) Buyer shall not dispose of or destroy any of the Records received by Buyer as Assets and (b) Buyer shall allow Seller (including, for clarity, any trust established for Seller or any other successors of Seller) and any of its directors, officers, employees, counsel, representatives, accountants and auditors reasonable access during normal business hours, at Seller's (or such Person's) sole expense and upon reasonable advance notice, to all employees and files of Buyer and their respective controlled Affiliates and any Records included in the Assets for purposes relating to the Bankruptcy Case, the wind-down of the operations of Seller, the functions of any such trusts or successors, or other reasonable business purposes, and Seller (including any such trust or successors) and such directors, officers, employees, counsel, representatives, accountants and auditors shall have the right to make copies of any such files, books, records and other materials. Until the closing of the Bankruptcy Case or the liquidation and winding up of Seller's estates, Seller shall preserve and keep the Records and, at Buyer's sole expense, shall make such Records, records, and Seller's personnel available to Buyer as may be reasonably required by Buyer in connection with, among other things, any insurance claims by, Proceedings, Actions or Tax audits against, or governmental investigations of, Buyer or any of its Affiliates or in order to enable Buyer to comply with its obligations under this Agreement and each other Transaction Document. In the event any Party desires to destroy any such Records during or after the time during which they must be maintained pursuant to this Section 8.5, such Party shall first give 90 days prior written notice to the other Party and any such other Party shall have the right at its option and expense, upon prior written notice given within such 90 day period to the Party desiring to destroy such Records or records, to take possession of the applicable Records within 180 days after the date of such notice, or such shorter period as the liquidation and winding up of Seller's estates shall permit.

8.6 Prosecution of Potential Avoidance Actions.

(a) Within thirty Business Days following the Closing, Seller shall, in consultation with Buyer, engage outside counsel to direct and perform the legal services in connection with prosecution of the Potential Avoidance Actions. Seller shall not terminate such counsel without Buyer's prior written consent. Seller's counsel, in consultation with Buyer, shall promptly commence and diligently prosecute (or continue if already commenced) legal action for the purposes of establishing Clear Title to the Third Party Claimed Interests, provided that Seller shall confer and seek Buyer's consent regarding the direction of the litigation, and the Parties shall further enter into a common defense agreement regarding the same. Neither Buyer nor Seller intend anything in this Section 8.6 to be a waiver of any privilege, including any attorney-client, work product, common interest, joint defense, and/or common client privilege(s) that may otherwise apply under the laws of the State of Texas or any other applicable jurisdiction. Buyer and Seller further explicitly agree that, to the extent any common defense, joint defense, common client, or other similar privilege applies, it should apply to the fullest extent allowed by law to all communications among or between them related to prosecution of the Potential Avoidance Actions or the NETX Litigation. Seller is not intending, by any provision in this Section 8.6, to transfer to Buyer any interest or right in any Potential Avoidance Action not explicitly set forth above and retains all rights in such Potential Avoidance Actions until such time as Clear Title is established and transferred to Buyer pursuant to Section 3.3(c) and this Section 8.6. Payment of all fees and expenses incurred by Seller (or any liquidation trust as its successor in interest) in connection with the prosecution of the Potential Avoidance Actions, including all filing fees and fees for services rendered by all counsel and advisors (but excluding any settlement costs owed to any Third Party Claimed Interest), shall be paid by Seller from the Avoidance Litigation Account.

(b) If either Party desires to settle any action or dispute with a Third Party Claimed Interest Holder, such settlement must be mutually agreed to by the Parties and reflected in a written agreement signed by both Parties (a “Third Party Claimed Interest Settlement”). If a settlement is not reached within twelve months following the Closing Date with any Third Party Claimed Interest Holder, Seller may continue to pursue such settlement with such Third Party Claimed Interest Holder with Buyer’s prior written consent, which consent shall not be unreasonably withheld. Any amount mutually agreed by the Parties to be paid to a Third Party Claimed Interest Holder in connection with a Third Party Claimed Interest Settlement shall be paid from the Third Party Claimed Interest Escrow Account pursuant to joint written instructions of the Parties. The Parties agree that if a Third Party Claimed Interest Settlement with respect to a Third Party Claimed Interest results in Clear Title being established with respect to only a portion of the Third Party Claimed Interest, the settlement amount owed to the Third Party Claimed Interest Holder for the purchase of such Third Party Claimed Interest shall be paid from the Third Party Claimed Interest Escrow Account, and to the extent the pro-rated Cleared Interest Payment for the portion of the Third Party Claimed Interest with Clear Title exceeds the settlement amount paid to the Third Party Claimed Interest Holder, the excess amount shall be paid to Seller (or the liquidation trustee, as applicable). The Parties further agree that if a Third Party Claimed Interest Settlement results in a payment being made by the Third Party Claimed Interest Holder in exchange for such holder’s recognition as owner of all or any portion of the Third Party Claimed Interest (a “Third Party Purchased Interest”), then Buyer shall be entitled to receive the full amount of such settlement payment directly from the Third Party Claimed Interest Holder, and Seller shall not receive any payment with respect to such Third Party Claimed Interest. By way of illustration, if the Parties mutually agree to a settlement with a Third Party Claimed Interest Holder such that the Third Party Claimed Interest Holder is recognized as the owner of the Third Party Claimed Interest, any payment received from the Third Party Claimed Interest Holder shall be paid directly to Buyer. Notwithstanding any provision contained herein to the contrary, a Third Party Purchased Interest shall not be considered an Excluded Asset and neither Seller nor Buyer shall have any rights with respect thereto.

(c) Any amounts that remain in either the Avoidance Litigation Account or the Third Party Claimed Interest Escrow Account following the resolution of all Potential Avoidance Actions by (i) Third Party Claimed Interest Settlements, (ii) the agreement of Buyer and Seller, or (iii) the resolution by the court of all Potential Avoidance Actions shall be credited toward the Purchase Price Floor, with any amounts in excess of the Purchase Price Floor to be distributed to Buyer.

(d) Once a Third Party Claimed Interest (including any portion of a Third Party Claimed Interest in accordance with Section 8.6(b) above) becomes a Cleared Interest, Seller (or the liquidation trustee, as applicable) shall convey such Cleared Interest to Buyer (or its designee) pursuant to the Assignment and Bill of Sale substantially in the form attached hereto as Exhibit B, in exchange for payment by Buyer to Seller (or any liquidation trust as its successor in interest) of the Cleared Interest Payment.

(e) If Buyer reasonably determines that any Third Party Claimed Interest will not be capable of becoming a Cleared Interest or that a Third Party Claimed Interest Settlement is not possible with respect to such Third Party Claimed Interest, Buyer shall so notify Seller in writing, and upon Seller’s prior written consent (which consent shall not be unreasonably withheld), the amount shown on the Third Party Claimed Interest Schedule for such interest that is not cleared shall be paid to Buyer from the Third Party Claimed Interest Escrow Account within ten Business Days of Seller’s written consent, and such Third Party Claimed Interest shall thereafter be treated as an Excluded Asset to be retained by Seller (or any liquidation trust as its successor in interest).

(f) If a liquidation trust is established and approved by the Bankruptcy Court as a successor in interest to Seller during Seller’s prosecution of the Potential Avoidance Actions, Seller and Buyer agree to negotiate in good faith the terms of the liquidation trust agreement and any other documents

related thereto such that the terms of those documents reflect the same terms as agreed to by the Parties in this Section 8.6.

8.7 No Recourse to Buyer's Debt Financing Sources.

(a) Subject to the rights of the parties to any commitment letter evidencing the Buyer's financing incurred or intended to be incurred by Buyer in regards to financing, in whole or in part, the Deposit, the balance of the Purchase Price at Closing, and the other transactions contemplated by this Agreement (collectively, the "Buyer's Financing"), under the terms thereof, none of the parties hereto, or any of their respective Affiliates, shall have any rights or claims against any persons, including any investors, lenders or arrangers, that have committed to provide the Buyer's Financing (such persons collectively, the "Buyer's Financing Sources") in connection with the terms of this Agreement or the Buyer's Financing, whether at law or equity, in contract, in tort or otherwise.

(b) Notwithstanding anything in this Agreement to the contrary, each of the parties hereto agrees (i) that it will not bring, support or permit any claim, action, proceeding or counterclaim involving any Buyer's Financing Sources arising out of, or relating to this Agreement, the transactions contemplated hereby, the Buyer's Financing or the performance of services thereunder or related thereto, against such Buyer's Financing Sources in any forum other than any federal court of the United States sitting in Houston, Texas and any appellate court thereof or, if that court does not have subject matter jurisdiction, in any state court located in Houston, Texas; (ii) that service of process, summons, notice or document by registered mail addressed to them at their respective addresses will be effective service of process against them for any such legal proceeding brought in any such court; (iii) to hereby waive, to the fullest extent permitted by law, any objection which any of them may now or hereafter have to the laying of venue of, and the defense of an inconvenient forum to the maintenance of, any such legal proceeding in any such court; and (iv) that any such legal proceeding will be governed and construed in accordance with the laws of the State of Texas. The provisions of this Section 8.7 shall be enforceable by any Buyer's Financing Sources, their Affiliates and their respective successors and assigns.

EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING AGAINST ANY BUYER'S FINANCING SOURCES DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY) AND FOR ANY COUNTERCLAIM THEREIN.

ARTICLE 9

CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER TO CLOSE

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

9.1 Accuracy of Representations.

The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct in all material respects on and as of such earlier date), except whether the failure to be true and correct could not, individually or in the aggregate, reasonably be expected to have a Material Adverse

Effect. If Buyer determines that there has been a breach or inaccuracy of any of Seller's representations and warranties, it shall provide Seller with notice of such breach or inaccuracy as promptly as reasonably practicable so that Seller may attempt to cure such breach or inaccuracy on or before the Closing Date.

9.2 Seller's Performance.

The covenants and agreements that Seller is required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been duly performed and complied with in all material respects, including those set forth in Section 7.1.

9.3 No Order.

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

9.4 Seller's Deliveries.

Each of the deliveries required to be made to Buyer pursuant to Section 4.4 shall have been so delivered or Seller shall be ready, willing and able to make such deliveries (or cause such deliveries to be made).

9.5 Sale Order.

The Bankruptcy Court shall have entered the Sale Order and the Sale Order shall be in full force and effect and shall not be subject to a stay pending appeal. The Sale Order shall provide that, on the Closing Date and concurrently with the Closing, all then existing or thereafter arising liens, claims, and encumbrance (other than Assumed Liabilities) of, against or created by Seller or its bankruptcy estate, shall be fully released from and with respect to the Assets, which shall be transferred to Buyer free and clear of all such liens, claims, and encumbrance (other than Assumed Liabilities).

9.6 Consummation of Purchase of Stipulated Oil and Gas Interests.

Contemporaneously with the acquisition of the Assets, Buyer shall have consummated the purchase of the Stipulated Oil and Gas Interests pursuant to the Asset Purchase Agreement (Lot 1).

ARTICLE 10

CONDITIONS PRECEDENT TO THE OBLIGATION OF SELLER TO CLOSE

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

10.1 Accuracy of Representations.

The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and

correct in all material respects on and as of such earlier date), except whether the failure to be true and correct could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

10.2 Sale Order in Effect.

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

10.3 Buyer's Performance.

The covenants and agreements that Buyer is required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been performed and complied with in all material respects.

10.4 No Order.

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

10.5 Buyer's Deliveries.

Each of the deliveries required to be made to Seller pursuant to Section 4.3 shall have been so delivered or Buyer shall be ready, willing and able to make such deliveries (or cause such deliveries to be made).

10.6 Consummation of Purchase of Stipulated Oil and Gas Interests.

Contemporaneously with the acquisition of the Assets, Buyer shall have consummated the purchase of the Stipulated Oil and Gas Interests pursuant to the Asset Purchase Agreement (Lot 1).

ARTICLE 11

TERMINATION

11.1 Termination Events.

Anything contained in this Agreement to the contrary notwithstanding, this Agreement may be terminated at any time prior to the Closing:

(a) by either Seller or Buyer:

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

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

(iii) if the Bankruptcy Court enters an Order dismissing, or converting into cases under chapter 7 of the Bankruptcy Code, the Bankruptcy Case; or

(iv) if the Seller exercises its rights under Section IV(D)(xiii) of the Bidding Procedures to pursue an Alternative Transaction because such action is deemed necessary by the Seller to discharge properly its fiduciary duties or to otherwise comply with the governing law.

(b) by Buyer:

(i) in the event of any breach by Seller of any of Seller's agreements, covenants, representations or warranties contained herein and such breach (A) would result in the failure of a condition set forth in Section 9.1 or Section 9.2 to be satisfied, and (B) has not been cured by Seller within 15 Business Days after Buyer has given written notice thereof to Seller (which notice shall specify the nature of such breach and be given as promptly as practicable); *provided, however*, that Buyer shall not be permitted to terminate this Agreement pursuant to this Section 11.1(b)(i) if Buyer is in material breach of any of its representations, warranties, covenants or agreements contained herein (or in breach at all with respect to those representations, warranties, covenants and agreements that are qualified as to materiality or similar expressions);

(ii) if Seller enters into and consummates an Alternative Transaction;

(iii) if the Closing shall not have occurred by the Outside Date, or such later date as agreed to in writing by Seller and Buyer; *provided, however*, that Buyer shall not be permitted to terminate this Agreement pursuant to this Section 11.1(b)(iii) if Buyer is in breach of any of its representations, warranties, covenants or agreements contained herein (or in breach at all with respect to those representations, warranties, covenants and agreements that are qualified as to materiality or similar expressions); *provided, further*, that in the event Buyer is determined to be the Back-Up Bidder with respect to the Assets, Buyer shall have no right to terminate this Agreement until the earlier of: (x) the closing of the Successful Bid with the Successful Bidder; or (y) if the Successful Bid with the Successful Bidder is terminated prior to closing and Buyer is then deemed to be the Successful Bidder, the Alternative Outside Date.

(c) by Seller:

(i) upon any breach by Buyer of any of Buyer's agreements, covenants, representations or warranties contained herein and such breach (A) would result in the failure of a condition set forth in Section 10.1, Section 10.3 or Section 10.5 to be satisfied (including, without limitation, if Buyer is unable to deliver the Cash Consideration to Seller in accordance with Section 4.3(a) because of Buyer's failure to obtain Buyer's Financing); and (B) has not been cured within 15 Business Days after the giving of written notice thereof by Seller to Buyer (which notice shall specify the nature of such breach and be given as promptly as practicable); *provided, however*, that Seller shall not be permitted to terminate this Agreement pursuant to this Section 11.1(c)(i) if Seller is in breach of any of its representations, warranties, covenants or agreements contained herein (or in breach at all with respect to those representations, warranties, covenants and agreements that are qualified as to materiality or Material Adverse Effect or similar expressions);

(ii) if Seller enters into and consummates an Alternative Transaction; and

(iii) if the Closing shall not have occurred by the Outside Date, or such later date as agreed to in writing by Seller and Buyer; *provided, however*, that Seller shall not be permitted to terminate this Agreement pursuant to this Section 11.1(c)(iii) if Seller is itself in material breach of any of its representations, warranties, covenants or agreements contained herein (or in breach at all with respect to those representations, warranties, covenants and agreements that are qualified as to materiality or Material Adverse Effect or similar expressions).

11.2 Effect of Termination.

Subject to Section 0, in the event of termination of this Agreement by Buyer or Seller pursuant to this Article 11, this Agreement shall become null and void and have no effect, and all rights and obligations of the Parties under this Agreement shall terminate without any Liability of any Party to any other Party (other than as expressly provided herein); *provided*, that the provisions of Sections 13.8 (Expenses), and 13.10 (Governing Law, Consent to Jurisdiction and Venue; Jury Trial Waiver), and 13.16 (Injunctive Relief), and this Section 11.2 (and, to the extent applicable to the interpretation or enforcement of such provisions, Article 11 shall expressly survive the termination of this Agreement).

11.3 Mutual Acknowledgment of Agreements.

Each Party acknowledges that the agreements contained in this Article 11 are an integral part of the transactions contemplated by this Agreement, that without these agreements such Party would not have entered into this Agreement.

ARTICLE 12

SURVIVAL AND LIMITATIONS

12.1 Non-Survival of Seller's Representations and Warranties; Survival of Other Provisions.

(a) All (i) representations and warranties of Seller set forth in this Agreement and the other Transaction Documents shall terminate and expire at Closing (except as expressly set forth in this Section 12.1); (ii) the covenants, obligations and agreements of Seller set forth in this Agreement and the other Transaction Documents which are expressly stated to be performed on or prior to Closing shall terminate and expire at Closing; and (iii) the covenants, obligations and agreements of Seller set forth in this Agreement and the other Transaction Documents to be performed after Closing shall survive the Closing and terminate and expire the date such covenant, obligation and/or agreement is fully performed; provided, however, that Seller shall not be deemed to be in breach of any covenant, obligation and/or agreement unless Seller fails to cure such breach within 60 days of Buyer's written notification to Seller of such breach.

(b) The representations, warranties, obligations and covenants of Buyer set forth in this Agreement and the other Transaction Documents, including the covenants and obligations set forth in Section 2.3, shall survive the Closing indefinitely. Subject to Article 11 and Section 13.10, the liability of Buyer under this Agreement shall be without limit.

12.2 Buyer's Exclusive Remedy and Certain Limitations.

(a) If this Agreement is terminated pursuant to Article 11 for any reason, notwithstanding anything to the contrary contained in this Agreement, Buyer's sole and exclusive remedy against Seller with respect to (i) the negotiation, performance and consummation of, or the failure to consummate, the transactions contemplated hereunder, (ii) any breach of the representations, warranties, covenants and agreements of Seller contained herein, (iii) the affirmations of such representations, warranties, covenants and agreements contained in this Agreement or any other Transaction Document delivered hereunder by or on behalf of Seller, and/or (iv) the breach or failure of Seller to perform any warranties, covenants or agreements of Seller required to be performed hereunder and under any Transaction Document, shall be limited to the return of the Deposit, if returnable to Buyer pursuant to Section 3.2(c).

(b) From and after the Closing, notwithstanding anything to the contrary contained in this Agreement, Buyer shall have no remedy against Seller, and Buyer shall be deemed to have waived, released, remised and forever discharged Seller from any and all Damages, suits, legal or administrative proceedings, claims, demands, losses, costs, obligations, liabilities, interest, charges or causes of action whatsoever, in law or in equity, known or unknown, which Buyer might now or subsequently may have, based on, relating to or arising out of (i) all avoidance, fraudulent transfer, preference or similar claims, causes of action, rights or proceedings, including all claims under Chapter 5 of the Bankruptcy Code, the Uniform Fraudulent Transfer Act, and the Uniform Fraudulent Conveyance Act enacted by any state, or any other similar state or Federal law, (ii) the negotiation, performance and consummation of this Agreement or the other Transaction Documents or the transactions contemplated hereunder or thereunder, (iii) any breach of the representations, warranties, covenants and agreements of Seller contained in this Agreement or the other Transaction Documents, (iv) the affirmations of such representations, warranties, covenants and agreements contained in this Agreement or any other Transaction Document delivered hereunder by or on behalf of Seller, (v) the breach or failure of Seller to perform any warranties, covenants or agreements of Seller required to be performed hereunder and under any Transaction Document and/or (vi) Seller's ownership, use or operation of the Assets, or the condition, quality, status or nature of the Assets, **INCLUDING RIGHTS TO CONTRIBUTION UNDER CERCLA OR ANY OTHER ENVIRONMENTAL LAW, BREACHES OF STATUTORY AND IMPLIED WARRANTIES, NUISANCE OR OTHER TORT ACTIONS, RIGHTS TO PUNITIVE DAMAGES, COMMON LAW RIGHTS OF CONTRIBUTION, ANY RIGHTS UNDER INSURANCE POLICIES ISSUED OR UNDERWRITTEN BY SELLER, EVEN IF CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE (WHETHER SOLE, JOINT, ACTIVE, PASSIVE, COMPARATIVE, OR CONCURRENT), STRICT LIABILITY OR OTHER LEGAL FAULT OF ANY RELEASED PERSON, INVITEES OR THIRD PARTIES, BUT, IN ALL CASES, EXCLUDING ANY ACTUAL FRAUD CLAIMS THAT BUYER MAY HAVE.**

12.3 Express Negligence/Conspicuous Manner.

WITH RESPECT TO THIS AGREEMENT, ALL PARTIES AGREE THAT THE PROVISIONS SET OUT IN THIS ARTICLE 12 AND ELSEWHERE IN THIS AGREEMENT COMPLY WITH THE REQUIREMENT, KNOWN AS THE EXPRESS NEGLIGENCE RULE, TO EXPRESSLY STATE IN A CONSPICUOUS MANNER TO AFFORD FAIR AND ADEQUATE NOTICE THAT THIS AGREEMENT HAS PROVISIONS REQUIRING BUYER TO BE RESPONSIBLE FOR THE NEGLIGENCE (WHETHER, SOLE, JOINT, ACTIVE, PASSIVE, COMPARATIVE OR CONCURRENT), STRICT LIABILITY, OR OTHER FAULT OF SELLER. BUYER REPRESENTS TO SELLER (A) THAT BUYER HAS CONSULTED AN ATTORNEY CONCERNING THIS AGREEMENT OR, IF IT HAS NOT CONSULTED AN ATTORNEY, THAT BUYER WAS PROVIDED THE OPPORTUNITY AND HAD THE ABILITY TO SO CONSULT, BUT MADE AN INFORMED DECISION NOT TO DO SO AND (B) THAT BUYER FULLY UNDERSTANDS ITS OBLIGATIONS UNDER THIS AGREEMENT.

ARTICLE 13

GENERAL PROVISIONS

13.1 Confidentiality.

The Parties agree that the confidentiality agreement entered into by them and/or their Affiliates, dated January 25, 2025 (the "Confidentiality Agreement"), shall continue in full force and effect notwithstanding the execution and delivery by the Parties of this Agreement; *provided, however*, that (a) disclosure of matters that become a matter of public record as a result of the Bankruptcy Case and the filings

related thereto shall not constitute a breach of such Confidentiality Agreement, and (b) disclosures permitted under this Agreement shall not constitute a breach of such Confidentiality Agreement.

13.2 Public Announcements.

Unless otherwise required by applicable Legal Requirement or by obligations of Buyer or Seller or their respective Affiliates pursuant to any listing agreement with or rules of any securities exchange or with respect to disclosure of matters that become a matter of public record as a result of the Bankruptcy Case and the filings related thereto, Buyer and Seller shall consult with each other before issuing any press release or otherwise making any public statement with respect to this Agreement, the transactions contemplated hereby or the activities and operations of the other and shall not issue any such release or make any such statement without the prior written consent of the other (such consent not to be unreasonably withheld or delayed).

13.3 Notices.

All notices (including any notice of termination pursuant to Section 11.1 of this Agreement), consents, waivers and other communications under this Agreement must be in writing and shall be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by email (with read receipt requested, with the receiving Party being obligated to respond affirmatively to any read receipt requests delivered by the other Party), (c) received by the addressee, if sent by a delivery service (prepaid, receipt requested) or (d) received by the addressee, if sent by registered or certified mail (postage prepaid, return receipt requested), in each case to the appropriate addresses and representatives (if applicable) set forth below (or to such other addresses and representatives as a Party may designate by notice to the other Parties):

(i) If to Seller, then to:

Barrow Shaver Resources Company LLC
Attn: James Katchadurian
977 Pruitt Place
Tyler, TX 75703
Email: james.katchadurian@cr3partners.com

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

Jones Walker LLP
201 St. Charles Avenue, Suite 5100
New Orleans, LA 70170
Attn: Curtis R. Hearn, Meredith Maxwell
E-mail: chearn@joneswalker.com;
mmaxwell@joneswalker.com

-and-

Jones Walker LLP
811 Main Street, Suite 2900
Houston, TX 77002
Attn: Joseph E. Bain, Sean T. Wilson
E-mail: jbain@joneswalker.com;
swilson@joneswalker.com

(ii) If to Buyer:

TEXOIL INVESTMENTS, LLC
8235 Douglas Avenue, Suite 350
Dallas, Texas 75225
Attn: Brett Lattin
Email: brett@texoilandgas.com

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

Jones, Allen & Fuquay, LLP
7557 Rambler Road, Suite 500
Dallas, Texas 75231
Attn: Laura Worsham
Email: lworsham@jonesallen.com

13.4 Waiver, Waiver of Damages.

Neither the failure nor any delay by any Party in exercising any right, power or privilege under this Agreement or the documents referred to in this Agreement shall operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege shall preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. To the maximum extent permitted by applicable law, (a) no waiver that may be given by a Party shall be applicable except in the specific instance for which it is given, and (b) no notice to or demand on one Party shall be deemed to be a waiver of any right of the Party giving such notice or demand to take further action without notice or demand. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NO PARTY SHALL BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF, ASSOCIATED WITH, OR RELATING TO THIS AGREEMENT (INCLUDING LOSS OF PROFIT OR BUSINESS INTERRUPTIONS, HOWEVER SAME MAY BE CAUSED) AND THE PARTIES HEREBY WAIVE ALL CLAIMS FOR ANY SUCH DAMAGES.

13.5 Entire Agreement; Amendment.

This Agreement (including the Schedules and the Exhibits) and the other Transaction Documents supersede all prior agreements between Buyer and Seller with respect to its subject matter and constitute a complete and exclusive statement of the terms of the agreements between Buyer and Seller with respect to their subject matter. This Agreement may not be amended except by a written agreement executed by all of the Parties.

13.6 Assignment.

This Agreement, and the rights, interests and obligations hereunder, shall not be assigned by any Party by operation of law or otherwise without the express written consent of the other Parties (which consent may be granted or withheld in the sole discretion of such other Party); *provided, however*, that Buyer shall be permitted, upon prior notice to Seller prior to the Closing Date, to assign all or part of its rights and/or obligations hereunder to one or more of its Affiliates, and each such assignee shall be deemed to be a Buyer for all purposes under the Transaction Documents to the extent of the rights and obligations so assigned to such assignee. No assignment of any obligations hereunder shall relieve the Parties hereto of

any such obligations. Upon any such permitted assignment, the references in this Agreement to the Seller or Buyer shall also apply to any such assignee unless the context otherwise requires.

13.7 Severability.

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

13.8 Expenses.

Whether or not the transactions contemplated by this Agreement are consummated, the Parties shall bear their own respective expenses (including all compensation and expenses of counsel, financial advisors, consultants, actuaries and independent accountants) incurred in connection with this Agreement and the transactions contemplated hereby; *provided, however*, that, subject to Section 8.1(a), Transfer Taxes shall be borne by Buyer.

13.9 Time of Essence.

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

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

(a) SUBJECT TO SECTION 8.7, EXCEPT TO THE EXTENT THE MANDATORY PROVISIONS OF THE BANKRUPTCY CODE APPLY, THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED ENTIRELY IN SUCH STATE WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OR CHOICE OF LAWS OR ANY OTHER LAW THAT WOULD MAKE THE LAWS OF ANY OTHER JURISDICTION OTHER THAN THE STATE OF TEXAS APPLICABLE HERETO.

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

(c) EACH PARTY HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR ANY OTHER AGREEMENT CONTEMPLATED HERETO AND THERETO OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

13.11 Counterparts.

This Agreement and any amendment hereto may be executed in one or more counterparts and by different Parties in separate counterparts, each of which shall be deemed to be an original of this Agreement or such amendment and all of which, when taken together, shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement or any amendment hereto by facsimile or other electronic means (including portable document format sent via email) shall be as effective as delivery of a manually executed counterpart of this Agreement or such amendment, as applicable.

13.12 Parties in Interest; No Third Party Beneficiaries.

This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable benefit, claim, cause of action, remedy or right of any kind; provided notwithstanding anything in this Agreement to the contrary, the parties expressly confirm their agreement that any liquidation trust established and approved by the Bankruptcy Court as a successor in interest to Seller shall be an express intended third-party beneficiary of this Agreement. Any such liquidation trust shall be entitled to reply upon, shall be an express intended third-party beneficiary of, and shall be entitled to enforce the provisions of, this Agreement as if such liquidation trustee were an original party hereto. The Parties further agree that Seller shall be entitled to assign to any such liquidation trust without any Buyer's consent any right or claim that Seller may have pursuant to or arising under this Agreement.

13.13 Non-Recourse.

Any claim or cause of action based upon, arising out of, or related to this Agreement or any agreement, document or instrument contemplated hereby may only be brought against the Parties hereto, and then only with respect to the specific obligations set forth herein or therein. Other than the Parties hereto, no other party shall have any liability or obligation for any of the representations, warranties, covenants, agreements, obligations or Liabilities of any party under this Agreement, the other Transaction Documents, or any other agreement contemplated hereto and thereto or of or for any Proceeding based on, in respect of, or by reason of, the transactions contemplated hereby or thereby (including the breach, termination or failure to consummate such transactions), in each case whether based on contract, tort, fraud, strict liability, other Legal Requirements or otherwise and whether by piercing the corporate veil, by a claim by or on behalf of a Party hereto or another Person or otherwise.

13.14 Disclosure Schedules; Materiality.

The inclusion of any matter in any Disclosure Schedule shall be deemed to be an inclusion in all other Disclosure Schedules to the extent that such disclosure is sufficient to identify the matter to which such disclosure is responsive and reasonably apparent on its face, but inclusion therein shall not be deemed to constitute an admission, or otherwise imply, that any such matter is material or creates a measure for materiality for purposes of this Agreement. The disclosure of any particular fact or item in any Disclosure Schedule shall not be deemed an admission as to whether the fact or item is “material” or would constitute a “Material Adverse Effect.”

13.15 WAIVER OF TEXAS DECEPTIVE TRADE PRACTICES – CONSUMER PROTECTION ACT.

BUYER EXPRESSLY ACKNOWLEDGES AND RECOGNIZES THAT THE PRICE FOR WHICH SELLER HAS AGREED TO SELL THE ASSETS AND PERFORM ITS OBLIGATIONS UNDER THE TERMS OF THIS AGREEMENT HAS BEEN PREDICATED UPON THE INAPPLICABILITY OF THE TEXAS DECEPTIVE TRADE PRACTICES - CONSUMER PROTECTION ACT, TEX. BUS. & COM. CODE § 17.41 *ET SEQ.* (THE “DTPA”), OR ANY SIMILAR STATUTE, AND THE WAIVER OF THE DTPA, AND ANY SIMILAR STATUTE, BY BUYER, SET FORTH IN THIS SECTION 13.15. BUYER’S RIGHTS AND REMEDIES WITH RESPECT TO THIS TRANSACTION AND WITH RESPECT TO ALL ACTS OR PRACTICES OF SELLER, PAST, PRESENT, OR FUTURE, IN CONNECTION WITH THIS TRANSACTION SHALL BE GOVERNED BY LEGAL PRINCIPLES OTHER THAN THE DTPA, OR ANY SIMILAR STATUTE OF ANY JURISDICTION THAT MAY BE APPLICABLE TO THE TRANSACTIONS CONTEMPLATED HEREBY. BUYER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES THE APPLICABILITY OF THE DTPA, OR ANY SIMILAR STATUTE, TO THIS TRANSACTION AND ANY AND ALL RIGHTS, DUTIES, OR REMEDIES THAT MIGHT BE IMPOSED BY THE DTPA, OR ANY SIMILAR STATUTE.

13.16 Injunctive Relief.

(b) Except as provided in Section 3.2(e), the Buyer agrees that Seller would be subject to irreparable damage in the event that Buyer fails or refuses to close the transactions contemplated by this Agreement after (i) the conditions to Buyer’s obligations to close set forth in Article 9 had been satisfied, and (ii) Seller has delivered, or demonstrated that it was prepared to deliver, all of the deliveries required by Section 4.4 of this Agreement, and that damages at law may be an inadequate remedy for the breach of any of the covenants, promises, and agreements contained in this Agreement or the other Transaction Documents (as applicable), and, accordingly, in such event, the Seller shall be entitled to injunctive relief to enforce specifically the closing of the transactions contemplated by Article IV of this Agreement or the other Transaction Documents (as applicable). The rights set forth in this Section 13.16 shall be in addition to any other rights which a Party may have at law or in equity pursuant to this Agreement or the other Transaction Documents (as applicable).

(c) The Buyer hereby agrees not to raise any objections to the availability to seller of the equitable remedy of specific performance set forth in Section 13.16(a).

(d) Notwithstanding the foregoing, nothing in this Section 13.16 shall prevent Seller from ceasing operations or winding up its affairs following the Closing.

[Signature page follows.]

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

SELLER:

BARROW SHAVER RESOURCES COMPANY, LLC

By: James Katchadurian
Name: James A. Katchadurian
Title: Chief Restructuring Officer

BUYER:

TEXOIL INVESTMENTS, LLC

By: [Signature]
Name: Robert Gunby
Title: Chief Executive Officer