

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
)	Chapter 11
)	
EXTRACTION OIL & GAS, INC. <i>et al.</i> , ¹)	Case No. 20-11548 (CSS)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket No. 525

**CERTIFICATE OF NO OBJECTION REGARDING DEBTORS' APPLICATION
FOR ENTRY OF AN ORDER (I) AUTHORIZING THE EMPLOYMENT AND
RETENTION OF RIVERON CONSULTING, LLC AS ACCOUNTING ADVISOR
FOR THE DEBTORS EFFECTIVE AS OF JULY 24, 2020 AND (II) MODIFYING
CERTAIN TIME-KEEPING REQUIREMENTS**

The undersigned hereby certifies that, as of the date hereof, he has received no answer, objection or other responsive pleading to the **Debtors' Application for Entry of an Order (I) Authorizing the Employment and Retention of Riveron Consulting, LLC as Accounting Advisor for the Debtors Effective as of July 24, 2020 and (II) Modifying Certain Time-Keeping Requirements** [Docket No. 525] (the "Application") filed by the above-captioned debtors and debtors in possession (the "Debtors"). The undersigned further certifies that he has reviewed the Court's docket in this proceeding and no answer or other responsive pleading to the Application appears thereon. Pursuant to the notice attached to the Application, objections to the Application were to be filed by no later than September 15, 2020 at 4:00 p.m. (prevailing Eastern Time) (the "Objection Deadline").

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Extraction Oil & Gas, Inc. (3923); 7N, LLC (4912); 8 North, LLC (0904); Axis Exploration, LLC (8170); Extraction Finance Corp. (7117); Mountaintop Minerals, LLC (7256); Northwest Corridor Holdings, LLC (9353); Table Mountain Resources, LLC (5070); XOG Services, LLC (6915); and XTR Midstream, LLC (5624). The location of the Debtors' principal place of business is 370 17th Street, Suite 5300, Denver, Colorado 80202.



WHEREFORE, the Debtors respectfully requests that the proposed form of order attached hereto as **Exhibit A**, be entered at the earliest convenience of the Court.

Dated: September 16, 2020
Wilmington, Delaware

/s/ Stephen B. Gerald

WHITEFORD, TAYLOR & PRESTON LLC²

Marc R. Abrams (DE No. 955)
Richard W. Riley (DE No. 4052)
Stephen B. Gerald (DE No. 5857)
The Renaissance Centre
405 North King Street, Suite 500
Wilmington, Delaware 19801
Telephone: (302) 353-4144
Facsimile: (302) 661-7950
Email: mabrams@wtplaw.com
rriley@wtplaw.com
sgerald@wtplaw.com

- and -

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

Christopher Marcus, P.C. (admitted *pro hac vice*)
Allyson Smith Weinhouse (admitted *pro hac vice*)
Ciara Foster (admitted *pro hac vice*)
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
Email: christopher.marcus@kirkland.com
allyson.smith@kirkland.com
ciara.foster@kirkland.com

Co-Counsel to the Debtors and Debtors in Possession

² Whiteford, Taylor & Preston LLC operates as Whiteford Taylor & Preston L.L.P. in jurisdictions outside of Delaware.

EXHIBIT A

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

In re:)	
)	Chapter 11
)	
EXTRACTION OIL & GAS, INC. <i>et al.</i> , ¹)	Case No. 20-11548 (CSS)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket No. 525

**ORDER (I) AUTHORIZING THE EMPLOYMENT
AND RETENTION OF RIVERON CONSULTING, LLC
AS ACCOUNTING ADVISORS TO THE DEBTORS, EFFECTIVE AS OF
JULY 24, 2020, AND (II) MODIFYING CERTAIN TIME-KEEPING REQUIREMENTS**

Upon the application (the “Application”)² of the debtors in possession in the above-captioned case (collectively, the “Debtors”) for entry of an order (this “Order”) pursuant to sections 327(a) and 328(a) of title 11 of the United States Code (the “Bankruptcy Code”), authorizing the Debtors to employ and retain Riveron Consulting, LLC (“Riveron”) as accounting advisors, effective as of July 24, 2020, on the terms set forth in the engagement letter (the “Engagement Letter”) attached hereto as **Exhibit 1**; and upon the Mason Declaration, attached as **Exhibit B** to the Application; all as more fully set forth in the Application; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order; and that this Court may enter a final order consistent

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Extraction Oil & Gas, Inc. (3923); 7N, LLC (4912); 8 North, LLC (0904); Axis Exploration, LLC (8170); Extraction Finance Corp. (7117); Mountaintop Minerals, LLC (7256); Northwest Corridor Holdings, LLC (9353); Table Mountain Resources, LLC (5070); XOG Services, LLC (6915); and XTR Midstream, LLC (5624). The location of the Debtors’ principal place of business is 370 17th Street, Suite 5300, Denver, Colorado 80202.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Application.

with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Application is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Application and opportunity for a hearing on the Application were appropriate and no other notice need be provided; and this Court having reviewed the Application and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Application is granted as set forth herein.
2. Pursuant to sections 327(a) and 328 of the Bankruptcy Code, the Debtors are hereby authorized to retain Riveron as accounting advisor to the Debtors, as of July 24, 2020, on the terms set forth in the Engagement Letter, as modified by this Order.
3. The terms of the Engagement Letter, including the Fee and Expense Structure, are reasonable terms and conditions of employment and are hereby approved.
4. Except as stated below, Riveron shall be compensated in accordance with, and will file, interim and final fee applications for the allowance of compensation and expenses and shall be subject to sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, the Fee Guidelines, and any further order of this Court.
5. Notwithstanding paragraph 4 above, the fixed fees payable to Riveron pursuant to the Engagement Letter are hereby approved as reasonable and shall be (a) compensated and

reimbursed pursuant to the Bankruptcy Code in accordance with the terms of the Engagement Letter, subject to the procedures set forth in the Fee Guidelines, the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, and any other applicable orders of this Court and (b) subject to review only pursuant to the standards set forth in section 328(a) of the Bankruptcy Code and shall not be subject to the standard of review set forth in section 330 of the Bankruptcy Code, except that the U.S. Trustee may review such compensation under sections 330 and 331 of the Bankruptcy Code.

6. The fee and expense structure set forth in the Engagement Letter and the Application is approved and Riveron is entitled to reimbursement of actual and necessary expenses, included legal fees related to this Application and future fee applications approved by the Court; *provided, however*, that Riveron shall not seek reimbursement of any fees incurred defending any of Riveron' fee applications in these cases.

7. Riveron shall comply with all requirements of Bankruptcy Rule 2016(a) and Bankruptcy Local Rule 2016-2, including all information- and time-keeping requirements, except that (a) Riveron shall be permitted to keep professional time records in half-hour increments, (b) Riveron's professionals shall not be required to keep time records on a project category basis, and (c) Riveron shall not be required to provide or conform to any schedules of hourly rates.

8. Riveron shall use reasonable efforts to avoid duplication of services provided by any of the Debtors' other retained professionals in the chapter 11 cases.

9. To the extent that Riveron uses the services of independent contractors or subcontractors (collectively, the "Contractors") in these cases, Riveron shall (a) pass through the cost of such Contractors to the Debtors at the same rate that Riveron pays the Contractors; (b) seek reimbursement for actual costs only; (c) ensure that the Contractors are subject to the same

conflicts checks as required for Riveron; and (d) file with this Court such disclosures required by Bankruptcy Rule 2014 with respect to such Riveron.

10. The indemnification provisions included in the Engagement Letter are approved, subject to the following:

- (a) No Indemnified Parties shall be entitled to indemnification, contribution or reimbursement pursuant to the Engagement Letter for services, unless such services and the indemnification, contribution, or reimbursement therefor are approved by this Court.
- (b) The Debtors shall have no obligation to indemnify any Indemnified Party, or provide contribution or reimbursement to any Indemnified Party, for any claim or expense to the extent it is either: (i) judicially determined (the determination having become final and no longer subject to appeal) to have arisen from the Indemnified Party's gross negligence, willful misconduct or bad faith; (ii) for a contractual dispute in which the Debtors allege breach of an Indemnified Party's contractual obligations, unless this Court determines that indemnification, contribution or reimbursement would be permissible pursuant to *In re United Artists Theatre Company*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination as to the exclusions set forth in clauses (i) and (ii) above, but determined by this Court, after notice and a hearing pursuant to subparagraph (c) hereof to be a claim or expense for which the Indemnified Party should not receive indemnity, contribution, or reimbursement under the terms of the Engagement Letter, as modified by this Order.
- (c) If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in the chapter 11 cases (that order having become a final order no longer subject to appeal) and (ii) the entry of an order closing the chapter 11 cases, an Indemnified Party believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including, without limitation, the advancement of defense costs, the Indemnified Party must file an application therefor in this Court, and the Debtors may not pay any such amounts to the Indemnified Party before the entry of an order by this Court approving the payment. This subparagraph (c) is intended only to specify the period of time under which this Court shall have jurisdiction over any request for fees and expenses by any Indemnified Parties for indemnification, contribution, and/or reimbursement, and is not a provision limiting the duration of the Debtors' obligation to indemnify, or make contributions or reimbursements to, the Indemnified Parties. All parties in interest shall retain the right to object to any demand by any Indemnified Parties for indemnification, contribution and/or reimbursement.

11. Any limitation of liability under the terms of the Engagement Letter is deemed to be of no force or effect during the chapter 11 cases.

12. To the extent that this Order is inconsistent with the Engagement Letter, the terms of this Order shall govern.

13. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

14. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Application.

15. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Exhibit 1

Engagement Letter



CONFIDENTIAL

July 24, 2020

Tom Brock
CAO
Extraction Oil & Gas Inc.
370 17th Street, Suite 5300
Denver, CO 80202

Dear Mr. Brock,

This letter, together with the attached Terms and Conditions and applicable schedules, sets forth the entire agreement (the "Agreement") between Riveron Consulting, LLC, a Texas limited liability company ("Riveron"), and Extraction Oil & Gas Inc. ("Extraction" or the "Company") for the engagement of Riveron to provide accounting support services to the Company.

ENGAGEMENT MANDATE

This Agreement and the underlying engagement shall initially include, but shall not necessarily be limited to, the following matters (the "Services"):

1. Financial reporting
 - Assist Company with drafting and preparing content SEC filings
 - Draft technical accounting memos related to issues arising from first day motions, potential asset impairment and other transactions
2. Accounting Operations
 - Assist Company with changes to current accounting policies and procedures related to bankruptcy filing
 - Support Company with monthly financial close process, as needed
 - Work with Company to fulfill ad hoc financial reporting requests from stakeholders
3. Fresh Start Accounting
 - Aid in the development of the plan for assessing the fair value approach to all in-scope accounts
 - Prepare draft of financial statements four-column table and related restructuring footnotes
 - Liaise with third party firm to integrate valuation report amounts into financial statement reporting including approach and disclosures
 - Support Company in the completion of any PwC audit requests, as needed
 - Assist Company with any ad hoc requests

OTHER

This Agreement, together with the attached Terms and Conditions and applicable schedules (each of which is expressly incorporated herein and made a part hereof), sets forth the entire understanding of the parties concerning the matters contained herein and therein and supersedes all prior agreements, arrangements and communications, whether oral or written, with respect to the matters contained herein. In case of conflict between the wording in this Agreement and the Terms and Conditions, the wording of this Agreement shall prevail.

The Company shall compensate Riveron for its Services and reimburse it for its expenses, as set forth in the attached Terms and Conditions or any schedule attached hereto.

If these arrangements are acceptable, please sign one copy of this Agreement and return it to us. We very much appreciate the opportunity to assist the Company and would be pleased to furnish any additional information you may request concerning our responsibilities and functions.

Sincerely,

RIVERON CONSULTING, LLC

By: Helen Mason

Date: July 31, 2020

Name: Helen Mason

Title: Managing Director

Agreed and accepted:

Extraction Oil & Gas Inc.

By: Tom Brock

Date: 8-17-20

Name: Tom Brock

Title: CAO

TERMS AND CONDITIONS

In case of conflict between the wording in the Agreement and these Terms and Conditions, the wording of the Agreement shall prevail.

ASSUMPTIONS/COMPANY RESPONSIBILITIES

Riveron does not provide any assurance regarding the outcome of the Services and its fees will not be contingent on the results of such work (other than as expressly set forth relating to any success fee). The Company shall assign a qualified person to oversee the Services and will be responsible for all management decisions related to the Services as well as the use or implementation of such Services by the Company. Unless otherwise agreed on any schedule, Riveron is not assuming any responsibility to fill a decision-making or management role for the Company. Riveron will not be responsible for any failure or delay in performance due in whole or in part to any cause beyond its control. The Company's management shall establish and maintain an effective control structure for the Company, and the engagement to provide the Services shall neither relieve the Company's management of that responsibility nor transfer that responsibility to Riveron. The Company agrees to promptly provide (and will use reasonable efforts to cause others to promptly provide) to Riveron, the information, resources and assistance that Riveron reasonably requires or requests to perform the Services. Riveron will rely on all the information made available to it by the Company and will have no responsibility to evaluate the reliability, accuracy or completeness of the information it is provided, or the sufficiency of the information for the Company's purposes. Finally, the Services may include the preparation of projections or other forward-looking statements – which will be based solely on the information provided by the Company. Riveron has no obligation or duty to diligence, verify or validate any such information.

REIMBURSEMENT OF EXPENSES

In addition to the fees outlined on each applicable schedule, Riveron will bill for all documented reasonable and/or customary costs and expenses that are incurred on the Company's behalf during this engagement. Expenses may include reasonable and customary out-of-pocket costs and expenses such as overnight mail, messenger, travel, meals, accommodations and other costs and expenses related to the engagement. For the avoidance of doubt, fees will include reasonable fees and expenses

of outside counsel and other professional advisors. Unless otherwise noted on a schedule to the Agreement, payment of each invoice is due upon receipt via wire transfer or U.S. funds.

BILLING

The Company shall compensate Riveron for its Services as set forth above and as set forth on each applicable schedule. Riveron shall submit invoices on a monthly basis for Services rendered and expenses incurred, due and payable upon receipt. All amounts invoiced are not contingent upon any deliverables, any specific activities or upon the outcome of any case or matter. Riveron's fees are exclusive of taxes or similar charges, which shall be the responsibility of the Company.

STAFFING

Subject to and conditioned upon the fulfillment of all requirements noted in this provision, any of the employees of Riveron or its wholly-owned subsidiaries may provide the necessary personnel to complete the Services set forth in the Agreement (the "Personnel").

TERM

Either party may terminate the Agreement at any time and for any reason by giving the other party written notice at least 15 Business Days prior to the desired date of termination, provided that all professional fees and expenses (including any documented reimbursable costs and expenses), both billed and unbilled, through the date of termination shall become immediately due and payable by the Company or, at the option of Riveron, may be set off against the Retainer. Riveron may immediately terminate the Agreement at any time upon the Company's failure to perform an obligation under the Agreement, including, without limitation, the Company's obligation to pay any fees and expenses (including any documented reimbursable costs and expenses) due and payable by the Company to Riveron, by giving the Company written notice of such breach. The provisions of the Agreement that provide for rights or obligations of the parties that extend beyond the termination of the Agreement, including confidentiality, indemnification, limitation of liability and dispute resolution, shall survive and continue to bind the parties.

CONFLICTS

To the best of Riveron's actual knowledge and except as set forth on Schedule 2: (a) Riveron, its employees,

and affiliates (the "Riveron Entities"), do not have any financial interest or business connection with the Company other than as contemplated by the Agreement, and (b) there is no conflict of interest for Riveron in providing the Services. The Riveron Entities: (a) have in the past and from time to time do represent the parties specifically noted on Schedule 2 in matters unrelated to the Company ("Unrelated Matters"); and (b) may represent the parties specifically noted on Schedule 3 (the "Related Matters") in matters related to the Company (collectively, the "Disclosed Representations"). The Riveron Entities do not anticipate having any future involvement in the Related Matters, except as provided in this Agreement. The Company (1) waives any conflict of interest relating to performance of professional services by any of the Riveron Entities in connection with the Disclosed Representations, (2) consents to the continued performance of professional services by any of the Riveron Entities for the disclosed parties in connection with the Unrelated Matters, and (3) releases the Riveron Entities, their employees, officers, and affiliates, of any claim or liability arising prior to the date of the Agreement, relating to the Disclosed Representations.

NON-SOLICITATION

Both parties acknowledge and agree that each party has made a significant monetary investment in its key employees and that the loss of key employees will have a negative impact on the party. Therefore, during the course of this engagement and for twelve (12) months thereafter, both parties, on behalf of itself and its affiliates, agrees not directly or indirectly hire, contract with, or solicit any key employees of the other party assigned to the engagement to become an employee or consultant of the party or any of its affiliates. This section does not apply where an employee of a party seeks employment with another party in response to an advertisement placed into the public domain for that position unless that other party has solicited, directly or indirectly, the application from that employee for that position. If either party violates this provision, a fee of 100% of such individual's first year's annual compensation will be due and payable by the hiring party to the other party as fair and reasonable compensation for the loss sustained, within thirty (30) days of the date of hire, unless other arrangements are agreed upon in writing by the Parties.

INDEMNIFICATION/LIMITS OF LIABILITY

The Company agrees to indemnify and hold harmless each of the Riveron Entities, its affiliates, and its and their respective partners, members, managers, shareholders, controlling persons, employees, Personnel, agents, representatives and subcontractors (each, an "Indemnified Party" and collectively, the "Indemnified Parties") against any and all losses, claims, damages, liabilities, penalties, obligations and expenses (based on any legal theory), including the actual and documented reasonable costs for counsel or others (including employees of Riveron, based on their then current hourly billing rates) in investigating, preparing or defending any action or claim, whether or not in connection with litigation in which any Indemnified Party is a party, or enforcing the Agreement (including these indemnity provisions), as and when incurred, caused by, relating to, based upon or arising out of (directly or indirectly) the retention of Riveron, the execution and delivery of the Agreement, and the Indemnified Parties' acceptance of or the performance or nonperformance of their obligations under the Agreement; provided, however, such indemnity shall not apply to any such loss, claim, damage, liability or expense to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Party's gross negligence or willful misconduct. The Company further agrees that it will not, without the prior consent of an Indemnified Party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which such Indemnified Party seeks indemnification hereunder (whether or not such Indemnified Party is an actual party to such claim, action, suit or proceedings) unless such settlement, compromise or consent includes an unconditional release of such Indemnified Party from all liabilities arising out of such claim, action, suit or proceeding.

In the event that, at any time whether before or after termination of the engagement or the Agreement, as a result of or in connection with the Agreement or Riveron's and its Personnel's role under the Agreement, Riveron or any Indemnified Party is required to produce any of its Personnel (including former employees) for examination, deposition or other written, recorded or oral presentation, or Riveron or any of its Personnel (including former employees) or any other Indemnified Party is required to produce or otherwise review, compile, submit,

duplicate, search for, organize or report on any material within such Indemnified Party's possession or control pursuant to a subpoena or other legal (including administrative) process, the Company will reimburse the Indemnified Party for its actual and documented reasonable out-of-pocket expenses, including the reasonable fees and expenses of its counsel, and will compensate the Indemnified Party for the reasonable time expended by its Personnel based on such Personnel's then current hourly rate.

If any action, proceeding or investigation is commenced to which any Indemnified Party proposes to demand indemnification hereunder, such Indemnified Party will notify the Company with reasonable promptness. The Company shall promptly pay the actual and documented reasonable expenses incurred by any Indemnified Party in defending, participating in, or settling any action, proceeding or investigation in which such Indemnified Party is a party or is threatened to be made a party or otherwise is participating in by reason of the engagement under the Agreement, upon submission of invoices therefor, whether in advance of the final disposition of such action, proceeding, or investigation or otherwise.

Neither termination of the Agreement nor termination of Riveron's engagement nor the filing of a petition under the United States Bankruptcy Code (nor the conversion of an existing case to one under a different chapter) shall affect these indemnification provisions, which shall hereafter remain operative and in full force and effect.

The rights provided herein shall not be deemed exclusive of any other rights to which the Indemnified Parties may be entitled under the certificate of incorporation or bylaws of the Company, any other agreements, any applicable law or otherwise.

Riveron shall not be liable to the Company, or any party asserting claims on behalf of the Company, for any loss, claim, damage, liability or expense, except if such loss, claim, damage, liability or expense is determined in a final non-appealable judgment to be the direct result of Riveron's gross negligence or willful misconduct. The Company agrees that no Indemnified Parties, including Riveron, shall be liable to the Company or its successors, affiliates or assigns for any loss, claim, damage, liability or expense, whether in tort, contract or otherwise, in excess of the total amount of fees paid to Riveron under the Agreement for the twelve (12) month period prior to the date of the loss, claim or damage.

No action, regardless of form, arising out of the Services under the Agreement may be brought by the Company more than one (1) year after the date of completion of the Services, except that Riveron may bring an action for non-payment at any time consistent with applicable law.

INDEPENDENT CONTRACTOR

The parties intend that Riveron is an independent contractor of the Company. Neither Riveron nor any of its Personnel or agents is to be considered an employee or agent of the Company and the Personnel and agents of Riveron are not entitled to any of the benefits that the Company provides for the Company's employees. The Company acknowledges and agrees that Riveron's engagement shall not constitute an audit, review or compilation, or any other type of financial statement reporting engagement that is subject to the rules of the AICPA, SEC or other state or national professional or regulatory body. At all times during the term of the Agreement, Riveron is and shall be an independent contractor in providing the Services to the Company.

GOVERNING LAW

THE AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PROVISIONS OF SUCH STATE.

DISPUTE RESOLUTION

In the event of any dispute, claim or controversy arising out of or relating to the Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of the Agreement to arbitrate (each, a "Dispute"), the parties shall use their commercially reasonable efforts to settle such Dispute. To this effect, the parties shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to the parties. If the parties do not reach a solution within a period of fifteen (15) days (or such longer period as the parties mutually agree in writing), then, upon notice by any party to the other party, the Dispute shall be determined by arbitration in Dallas, Texas before one arbitrator, provided, however, that Riveron may bring an action for non-payment via arbitration or via lawsuit in any applicable court. The arbitration shall be administered by JAMS pursuant to its Streamlined

Arbitration Rules and Procedures. Judgment on the award may be entered in any court having jurisdiction. This clause shall not preclude the parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The arbitrator may, in the award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party.

CONFIDENTIALITY

Each party acknowledges that material and information which has or will come into its possession or knowledge in connection with the performance of the Services under the Agreement, may include trade secrets and other confidential and proprietary data of the other party (collectively, "Confidential Information").

Each party agrees that it shall not disclose or otherwise make known to any person, other than its Personnel that has a need to know, any Confidential Information without the express written consent of the disclosing party. Neither party will use such Confidential Information for any purpose other than fulfilling its obligations under the Agreement. Each party will take the same precautions it takes to protect its own confidential information of like kind, to prevent any disclosure of Confidential Information, but in no event less than a reasonable degree of care. No disclosure of Confidential Information by either party shall be deemed to be a breach or violation of the Agreement if such disclosure is required to be made in any judicial or administrative proceeding or is otherwise required by applicable law.

The term of this confidentiality undertaking shall commence on the effective date of the Agreement and shall continue until the second anniversary date after it is terminated.

The Company acknowledges and agrees that the terms of this engagement letter as well as any advice, recommendations, information, memorandums or other work product (the "Deliverables") that Riveron provides to Extraction as a result of the Services, are intended for Extraction's sole benefit and Riveron does not authorize any other party (except Company counsel, Company advisors, (including financial,

accounting and audit) or as required by subpoena or other similar legal process) to receive or rely upon such Deliverables. To the extent Extraction desires to disclose the Deliverables to any third-party other than those outlined above, then prior to sharing any such Deliverables, Extraction shall notify Riveron and Riveron may determine, in its sole and reasonable discretion, the parameters around which it will share the applicable Deliverables, if at all.

Riveron will transmit information to the Company by e-mail, over the Internet. Should any confidentiality breaches occur because of data transmission over the Internet, the Company agrees that this will not constitute a breach of any obligation of confidentiality Riveron owes to the Company (unless caused by Riveron's gross negligence or willful misconduct). If the Company wishes to limit such transmission to information that is not highly confidential or seek more secure means of communication for highly confidential information, the Company will need to inform Riveron.

If any term, provision or portion of the Agreement shall be determined to be invalid, void or unenforceable, the remainder of the terms, provisions and portions of the Agreement shall remain in full force and effect.

MISCELLANEOUS

In connection with any bankruptcy filing, the Company has advised Riveron that it will seek approval for Riveron to provide Services to the Company as an ordinary course professional. However, should it become necessary to apply to the Bankruptcy Court for approval of the Company's retention of Riveron under the terms of the Agreement, the form of retention application and proposed order shall be reasonably acceptable to Riveron. Riveron shall have no obligation to provide any further Services if the Company becomes a debtor under the Bankruptcy Code unless Riveron is approved as an ordinary course professional or its retention under the terms of the Agreement is approved by a final order of the Bankruptcy Court. The Company shall assist, or cause its counsel to assist, with filing, serving and noticing of papers related to Riveron's fee and expense matters.

Schedule 1

Fees and Expenses

Riveron's fees for the performance of the Services will be based on the hours spent by Riveron Personnel under the following fee structure:

Level	Hourly Rate Range
Managing Director	\$435 – \$675
Director	\$350 - \$540
Senior Manager	\$335 – \$500
Manager	\$280 - \$475
Senior Associate	\$245 - \$455
Associate	\$175 - \$300

The level of activity forecasted and staffing plan is based upon our initial conversations with Extraction. If Extraction determines at any time that it needs to add additional workstreams to the Services or that it requires more time from current Riveron Personnel or additional Personnel, Extraction and Riveron agree to negotiate a reasonable increase in the weekly fees.

Team sizing and professional fees will be continually reevaluated throughout the engagement and we will be glad to right size accordingly based upon your needs and scope of work.

Billing: The Company shall compensate Riveron for its Services as set forth above. Riveron shall submit invoices on a monthly basis for Services rendered and expenses incurred, due and payable upon receipt. All amounts invoiced are not contingent upon any Deliverables, any specific activities or upon the outcome of any case or matter. Riveron's fees are exclusive of taxes or similar charges, which shall be the responsibility of the Company.

Reimbursement of expenses: Riveron will bill for all reasonable and/or customary costs and expenses that are incurred on the Company's behalf during this engagement. Expenses may include reasonable and customary out-of-pocket costs and expenses such as overnight mail, messenger, travel, meals, accommodations and other costs and expenses related to the engagement. For the avoidance of doubt, in the event of any bankruptcy proceeding, fees will include any costs and expenses incurred by Riveron (including reasonable fees of outside counsel and other professional advisors) in connection with any process to obtain or defend its fees and expenses.

Wiring Instructions: Each invoice shall be payable by wire to the following account:

Texas Capital Bank
2000 McKinney Avenue, Suite 700
Dallas, TX 75201

Riveron Consulting, LLC
ABA#111017979
Acct#1111068142

RIVERON CONSULTING, LLC

By: Helen Mason

Date: 7/31/2020

Name: Helen Mason

Title: Managing Director

Agreed and accepted:
Extraction Oil & Gas Inc.

By: Tom Brock

Date: 8-17-20

Name: Tom Brock

Title: CAO