

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this “Agreement”) is entered into the ____ day of _____, 202__ (the “Effective Date”) between Scout Energy Management, LLC, for itself and its affiliates (collectively, “Company”), and _____ (“Recipient”). Company and Recipient are sometimes hereinafter referred to individually as a “Party” and collectively as the “Parties”.

WHEREAS, Recipient wishes to review Information (as hereinafter defined) for the purpose of an evaluation with respect to a potential sale by Company of the Properties (as hereinafter defined); and

WHEREAS, Company has agreed to disclose the Information to Recipient on the condition that the Information be retained in confidence and dealt with in accordance with the following provisions:

NOW, THEREFORE, in consideration of the disclosure of the Information to Recipient and of the mutual covenants and agreements of the Parties contained herein, the Parties agree as follows:

1. Definitions. Terms set forth below have the following meanings:
 - a. “Affiliate” means any Person that, directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the Person specified. The term “control” means the power to direct or cause the direction of the management of such Person, whether through the ownership of voting securities, by contract, agency or otherwise.
 - b. “Information” means, subject to Section 3 of this Agreement, any and all information and data (whether written, electronic, video or oral) associated with the Properties or the Transaction (as hereinafter defined) which Company or its Representatives (as hereinafter defined) provide to Recipient or Recipient’s Representatives pursuant to this Agreement including, without limitation, analyses, interpretations, compilations, reports, reservoir data, geologic and geophysical data, maps, models, financial data, economic data, commercial data, contractual data, environmental data and other information and data, whether written, electronic, video or oral (including the existence of the discussions between the Parties) relating to the Properties or the Transaction. Information also includes, without limitation, copies, notes, analyses, compilations, studies, excerpts and other materials prepared by Recipient or its Representatives that contain, reflect or are based upon, in whole or in part, the Information.
 - c. “Person(s)” will be interpreted broadly to include, without limitation, corporations, companies, entities, trusts, groups, partnerships or individuals.
 - d. “Properties” means the oil and gas interests as shown on Exhibit “A” attached hereto, along with all other assets that used in connection with or related to the oil and gas interests as shown on Exhibit “A”.
 - e. “Representatives” means collectively, a Party’s Affiliates, and the directors, officers, managers, members, shareholders, partners, owners, employees, lenders, agents, principals, financial advisors, technical and other consultants, attorneys and accountants of a Party and such Party’s Affiliates.
 - f. “Transaction” means a transaction of any kind related to the Properties and/or Company and/or its Affiliates, among (i) Company and/or Company’s Affiliates, on the one hand, and (ii) Recipient and/or Recipient’s Affiliates, on the other hand.

2. Confidentiality Obligation. In connection with Recipient's evaluation of the Properties and a potential Transaction, Company or its Representatives may disclose to Recipient and Recipient's Representatives certain Information pursuant to the Agreement. Except as otherwise provided in Sections 4 and 5 of this Agreement, in consideration of any disclosure of Information, for a period of twelve (12) months following the Effective Date, Recipient shall and Recipient shall cause each of Recipient's Representative to:
 - a. treat the Information as strictly confidential, and shall not sell, trade, publish, share, forward, deliver or otherwise disclose the Information to anyone in any manner whatsoever, including by means of photocopy, reproduction or electronic media, without Company's prior written consent;
 - b. not use the Information for any purpose other than in connection with evaluating the potential Transaction;
 - c. not disclose the fact that: (i) Information exists or has been made available, (ii) Company or Recipient is considering a potential Transaction, or (iii) discussions or negotiations are taking or have taken place between Company and Recipient and/or Recipient's Affiliates concerning a potential Transaction, or the content of any such discussions or negotiations; and
 - d. promptly notify Company in writing if Recipient determines not to proceed with an evaluation of a potential Transaction.

Notwithstanding any provision in this Agreement, the Parties understand that Recipient and its Representatives who review the Information provided hereunder may now or in the future be working on other projects in the area and may retain mental impression of such Information. Company agrees that Recipient shall not be precluded from working on or acquiring interests in any properties or projects because of such retained mental impressions.

3. Limitation on Information. The term Information shall not include information that, other than by breach of this Agreement: (i) is or becomes available to the public other than as a result of a disclosure by Recipient and/or its Representatives in violation of this Agreement, (ii) is in lawful possession of Recipient prior to disclosure by Company or Company's Representatives, (iii) is obtained from a Person who is not known by Recipient to be prohibited from disclosing such information, or (iv) is developed by Recipient or its Representatives independently of the Information received from Company.
4. Authorized Disclosure. Recipient may disclose the Information to its Representatives only to the extent necessary to evaluate the potential Transaction; provided, however, that Recipient shall require any Representative who receives the Information under this Agreement to keep the Information strictly confidential and comply with all terms of this Agreement. **RECIPIENT SHALL PAY COMPANY FOR, AND FULLY INDEMNIFY, DEFEND, AND HOLD COMPANY AND COMPANY'S REPRESENTATIVES HARMLESS FROM AND AGAINST, ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION, LIABILITIES, LOSSES, OR DAMAGES CAUSED BY OR RELATED TO THE UNAUTHORIZED USE OR DISCLOSURE OF INFORMATION BY RECIPIENT OR ANY PERSONS TO WHOM RECIPIENT DISCLOSED THE INFORMATION.**
5. Compelled Disclosure. If Recipient or any of Recipient's Representative is required by law, order, decree, rule or regulation (including without limitation, those of any court, regulatory agency, securities commission or stock exchange) to disclose any Information or if any Person seeks to legally compel (by interrogatories, document requests, subpoena or otherwise) Recipient or any of its Representatives

to disclose any Information, Recipient shall, unless prohibited by law or regulation, promptly provide Company with written notice of the same so Company may (a) seek a protective order or other remedy (including, without limitation, participation in any proceeding), or (b) waive compliance with the terms of this Agreement in Company's sole discretion (but such waiver will be limited to the Information required to be disclosed). Recipient shall be entitled to furnish only such Information as Recipient is advised by its legal counsel that it is legally required to disclose and will use all commercially reasonable efforts to obtain confidential treatment of any and all Information disclosed.

7. **Ownership and Return of Information.** The Information shall at all times remain the property of Company. Recipient shall acquire no proprietary interest in or right to the Information, and Company may demand the return or the destruction of the Information at any time by giving written notice to Recipient (the "Return Notice"). Within thirty (30) calendar days of Recipient's receipt of the Return Notice, Recipient shall:
 - a. return and shall cause its Representatives to return all of the Information provided on behalf of Company or, at Company's option, Recipient shall destroy and shall cause its Representatives to destroy all such original Information with written notification to Company within fifteen (15) calendar days of such destruction; and
 - b. destroy and shall cause its Representatives to destroy all copies, notes, analyses, compilations, studies, excerpts and other materials prepared by Recipient or its Representatives which contain, reflect or are based on any of the Information (in whatever form including, but not limited to, electronic media except electronic copies of the Information that were automatically created by Recipient's computer back-up system, which electronic copies shall be destroyed in accordance with Recipient's normal back-up procedures.

Notwithstanding the foregoing, Recipient agrees on its own behalf and that of its Representatives that all Information shall continue to be subject to the terms of this Agreement.

8. **EXPRESS DISCLAIMER. RECIPIENT ACKNOWLEDGES AND AGREES THAT THE INFORMATION IS BEING PROVIDED SOLELY FOR THE PURPOSE OF ASSISTING RECIPIENT IN CONDUCTING ITS OWN INDEPENDENT EVALUATION OF THE PROPERTIES IN CONNECTION WITH A POTENTIAL TRANSACTION. AS A PRECONDITION TO COMPANY AUTHORIZING RECIPIENT AND ITS REPRESENTATIVES TO REVIEW THE INFORMATION, RECIPIENT ACKNOWLEDGES AND AGREES ON BEHALF OF ITSELF AND ITS REPRESENTATIVES, THAT:**
 - a. **COMPANY AND ITS REPRESENTATIVES EXPRESSLY DISCLAIM ANY AND ALL LIABILITY AND RESPONSIBILITY FOR AND ASSOCIATED WITH THE QUALITY, ACCURACY, COMPLETENESS, OR MATERIALITY OF THE INFORMATION, INCLUDING WITHOUT LIMITATION: (i) THE EXISTENCE OF ANY AND ALL PROSPECTS REFERENCED IN THE INFORMATION, (ii) THE GEOGRAPHIC, GEOLOGIC OR GEOPHYSICAL CHARACTERISTICS ASSOCIATED WITH ANY OF THE PROPERTIES, (iii) THE EXISTENCE, QUALITY, QUANTITY, OR RECOVERABILITY OF RESERVES ASSOCIATED WITH THE PROPERTIES, (iv) ANY COSTS, EXPENSES, ACCOUNTS PAYABLE, REVENUES, RECEIPTS OR ACCOUNTS RECEIVABLE ASSOCIATED WITH THE PROPERTIES, (v) THE CONTRACTUAL, ECONOMIC, FINANCIAL, OR TAX INFORMATION AND DATA ASSOCIATED WITH THE PROPERTIES, (vi) THE CONTINUED FINANCIAL VIABILITY OR PRODUCTIVITY OF THE**

PROPERTIES, (vii) TITLE TO THE PROPERTIES, AND (viii) THE ENVIRONMENTAL OR PHYSICAL CONDITION OF THE PROPERTIES;

- b. RECIPIENT ACKNOWLEDGES THAT IT IS A SOPHISTICATED ENTITY, EXPERIENCED WITH THE OIL AND GAS INDUSTRY AND SAID INDUSTRY'S CUSTOMS AND PRACTICES AND SHALL CONDUCT ITS OWN INDEPENDENT EVALUATION AND ANALYSIS OF THE INFORMATION AND SATISFY ITSELF FULLY AS TO THE QUALITY, ACCURACY, COMPLETENESS AND MATERIALITY OF THE SAME;**
 - c. RECIPIENT IS FULLY AWARE OF THE INHERENT RISK OF ERROR IN THE ACQUISITION, PROCESSING, AND INTERPRETATION OF GEOLOGIC AND GEOPHYSICAL DATA; AND**
 - d. RECIPIENT SHALL RELY SOLELY ON ITS OWN INDEPENDENT EVALUATION AND ANALYSIS WHEN DECIDING WHETHER OR NOT TO SUBMIT A BID OR OFFER, ENTER INTO A DEFINITIVE AGREEMENT OR CONSUMMATE ANY TRANSACTION COVERING ONE OR MORE OF THE PROPERTIES. RECIPIENT FURTHER ACKNOWLEDGES AND AGREES THAT ONLY THE EXPRESS REPRESENTATIONS AND WARRANTIES CONTAINED IN SUCH A DEFINITIVE WRITTEN AGREEMENT FOR A TRANSACTION (WHEN AND IF THE SAME IS EXECUTED BY BOTH PARTIES) SHALL BE BINDING ON THE PARTIES. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, COMPANY REPRESENTS AND WARRANTS THAT IT HAS THE RIGHT AND AUTHORITY TO DISCLOSE OR MAKE AVAILABLE THE INFORMATION TO RECIPIENT AND ITS REPRESENTATIVE AS PROVIDED IN THIS AGREEMENT WITHOUT VIOLATING THE RIGHTS OF ANY THIRD PARTY.**
9. Opportune Partners, LLC Data. Recipient acknowledges and agrees that certain of the Confidential Information provided to it by Company hereunder is data, analyses, valuations, appraisals, maps, reports and other information (collectively, the "Opportune Data") that has been prepared, provided or developed by Opportune Partners, LLC ("Opportune"). **RECIPIENT HEREBY ACKNOWLEDGES AND AGREES TO INDEMNIFY, SAVE, AND HOLD HARMLESS, COMPANY, OPPORTUNE, AND EACH OF THEIR RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS AND EMPLOYEES, FROM ANY DAMAGE, LOSS, EXPENSE, COST OR LIABILITY (INCLUDING REASONABLE LEGAL FEES) ARISING OUT OF OR RESULTING FROM RECIPIENT'S USE OF, OR RELIANCE UPON, THE OPPORTUNE DATA.** The Opportune Data is provided to Recipient as a convenience and for informational purposes only. The Opportune Data may involve a number of assumptions, calculations and formulas that may not prove valid, and which may be outdated, incomplete or inaccurate. **NO WARRANTY IS GIVEN AS TO THE EFFECTIVENESS, ACCURACY, MATERIALITY OR COMPLETENESS OF THE INFORMATION, INCLUDING BUT NOT LIMITED TO THE OPPORTUNE DATA, WHETHER EXPRESS OR IMPLIED. RECIPIENT'S RELIANCE ON OR USE OF THE INFORMATION, INCLUDING BUT NOT LIMITED TO THE OPPORTUNE DATA, IS AT RECIPIENT'S SOLE RISK.**
10. Reservation of Rights. Each Party acknowledges that the other has a right, at each of its sole discretion, to terminate discussions associated with any potential Transaction. Recipient acknowledges and agrees that Company has a unilateral right, at its sole discretion and without notice to Recipient, to (a) reject any or all offers to purchase one or more of the Properties, or (b) accept any offer to purchase one or

more of the Properties whether or not such offer conforms to any procedures that may be established by or on behalf of Company or includes the greatest consideration.

11. Definitive Agreement. Unless and until a definitive written agreement for a Transaction shall have been executed by an authorized representative of each Party having the express authority to bind such Party to a transaction of the size and nature referenced herein, neither Party is or will be under any obligation whatsoever (legal or otherwise) to negotiate or conclude any Transaction or any other transaction whether by virtue of this Agreement or otherwise. Unless included in a definitive written agreement, any communications (written or oral) may not be relied on by either Party as the basis for taking any action, foregoing any opportunity or incurring any costs, and do not and will not create any obligations whatsoever on the part of either Party.
12. Equitable Relief. Recipient acknowledges and agrees that Company may be irreparably injured, such that money damages alone may not be an adequate remedy and may seek equitable relief (including without limitation, the granting of injunctive relief in Company's favor). If Recipient or any Person to whom Recipient discloses Information breaches or threatens to breach the terms of this Agreement. Recipient agrees that equitable relief is not exclusive of other remedies to which Company may be entitled at law or in equity. Recipient agrees that it will not oppose the granting of such relief on the basis that Company has an adequate remedy at law.
13. Attorney Fees. If a Party is required to initiate litigation or other proceedings in order to enforce the terms of this Agreement, the Party prevailing in such litigation or proceeding shall be entitled to recover its reasonable attorneys' fees (including court costs) in connection with such litigation or proceedings.
14. Governing Law and Waiver of Jury Trial. **THIS AGREEMENT IS GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CHOICE OF LAW RULES THAT MAY DIRECT APPLICATION OF LAWS OF ANOTHER JURISDICTION. EACH PARTY AGREES THAT THE EXCLUSIVE VENUE AND FORUM FOR ANY ACTION BROUGHT IN CONNECTION WITH THIS AGREEMENT SHALL BE INITIATED AND MAINTAINED IN ANY STATE OR FEDERAL COURT IN DALLAS COUNTY, TEXAS AND IRREVOCABLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO OBJECT TO SUCH VENUE AND FORUM. EACH PARTY (ON ITS OWN BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS AFFILIATES) WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) RELATED TO OR ARISING OUT OF THIS AGREEMENT.**
15. No Waiver. A Party's failure or delay in exercising any rights hereunder shall not operate as a waiver thereof, nor shall a Party's partial exercise preclude any other or further exercise of any such rights. No waiver of any provision of this Agreement shall be effective unless in writing and signed by an authorized representative of the Party against whom the waiver is sought to be enforced.
16. Assignment. Company reserves the right to assign all of its rights, powers, and privileges under this Agreement, including without limitation, the right to enforce all of the terms of this Agreement. Recipient may not assign this Agreement without the consent of Company, which consent shall not be unreasonably withheld, delayed or conditioned.
17. Severability. The invalidity of anyone or more provisions of this Agreement shall not affect the validity of this Agreement as a whole, and in case of any such invalidity, this Agreement shall be construed as if the invalid provision had not been included herein.

18. Term. This Agreement will have a term of one (1) year from the Effective Date or until the consummation of the Transaction by the Parties hereto, whichever occurs first. Company retains the right to terminate this Agreement at any time for any reason.
19. Counterparts. This Agreement may be executed in multiple counterparts, each of which taken together shall constitute one agreement. This Agreement shall be effective as of the Effective Date when it has been executed and delivered by both Parties. Delivery of a signed copy of this Agreement by email transmission shall be deemed to be delivery of this Agreement for all purposes. Recipient agrees to provide to Company a complete copy of the signed Agreement. Upon execution and delivery of this Agreement by Recipient, Recipient represents to Company that the Agreement is binding upon Recipient and acknowledges that Company will only disclose any Information to Recipient and Recipient's Representatives in reliance upon this representation.
20. Amendment. No modifications or amendments to this Agreement shall be binding on the Parties unless and until such modifications or amendments are executed in writing by an authorized representative of each Party.
21. Entire Agreement. This Agreement supersedes all prior negotiations, understandings and agreements between the Parties relating to the subject matter hereof and constitutes the entire understanding and agreement between the Parties with respect to the same.
22. Notices. Any notices to be delivered herein shall be in writing and shall be deemed sufficiently given if delivered by hand, by courier service, sent by registered mail, postage prepaid, or sent by email to the receiving party at the address listed below:

COMPANY:

Scout Energy Management, LLC
13800 Montfort Drive, Suite 100
Dallas, Texas 75240
Attention: Jon Piot
Email: jpiot@scoutep.com

RECIPIENT:

[Name]
[Company]
[Address]
Attention:
Email:

[Rest of page left intentionally blank; signature page to follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers as of the Effective Date.

COMPANY:

Scout Energy Management, LLC

By: _____

Name: Collin Mock

Title: Director, Business Development

RECIPIENT:

[NAME OF COMPANY]

By: _____

Name: _____

Title: _____

Exhibit A

