

***When recorded, please return to:***

Polaris Production Partners LLC  
Attn: Land Department  
410 17<sup>th</sup> Street, Suite 1150  
Denver, CO 80202

**ASSIGNMENT, BILL OF SALE AND CONVEYANCE**

This Assignment, Bill of Sale and Conveyance (this "***Assignment***"), effective as of July 1, 2018, at 7:00 a.m., Mountain Time (the "***Effective Time***"), is by and between Nighthawk Production LLC, a Delaware limited liability company ("***Assignor***"), whose address is 1805 Shea Center Drive, Suite 290, Highlands Ranch, CO 80129, and Polaris Production Partners LLC, a Delaware series limited liability company ("***Assignee***"), whose address is c/o Morse Energy Capital, 410 17<sup>th</sup> Street, Suite 1150, Denver, CO 80202. Assignor and Assignee are, individually, a "***Party***," and are, collectively, the "***Parties***." Capitalized terms used but not otherwise defined in this Assignment have the meaning given such terms in **Annex I** and, if not defined in **Annex I**, have the meaning given such terms in that certain Purchase and Sale Agreement dated as of May 15, 2018, by and between Assignor and Assignee (as may be amended from time to time, the "***Purchase Agreement***").

For Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor GRANTS, BARGAINS, SELLS, CONVEYS, ASSIGNS, TRANSFERS, AND DELIVERS unto Assignee all of Assignor's and its Affiliates' right, title, and interest in and to the Assets, to have and to hold unto Assignee and its successors and assigns, forever, subject to the following terms and conditions:

1. **The Assets.** As used in this Assignment, the term "***Assets***" means all of Assignor's and its Affiliates' right, title, and interest, whether present, contingent, or reversionary, in, to, or under any of the following, other than the Excluded Assets:

(a) The leasehold estates (including any working interests, overriding royalty interests, net profits interests, or other estates) created by all oil and gas leases located within the Contract Area, including those described in **Exhibit A** (collectively, the "***Leases***"), and the oil, gas, gas liquids and all other hydrocarbons and non-hydrocarbons ("***Hydrocarbons***") attributable to or produced from the Leases and the lands covered thereby or the lands pooled, unitized, or communitized therewith (the "***Lands***");

(b) all oil and gas wells and wellbores, whether producing, operating, shut-in, abandoned, not abandoned, plugged or unplugged, including the wells specifically described in **Exhibit B**, together with all other Hydrocarbon wells and all water, injection and disposal wells, presently on the Lands, whether or not described in **Exhibit B** (the "***Wells***"), and the pipelines and facilities associated or used in connection with the Wells or other Assets, including production units, flow lines and compression facilities, pipelines, and gathering, processing, and treatment systems;

(c) the unitization, pooling and communitization agreements, declarations, orders and the units created thereby relating to the Leases, Lands, or Wells or to the production, gathering, treatment, processing, storage, sale, disposal and other handling of Hydrocarbons, if any, attributable to the Leases, Lands, or Wells;

(d) all owned and leased tangible personal property, equipment, vehicles, inventory, fixtures, facilities, pipelines, and improvements located, or in the process of being installed, on the Lands, as of or after May 15, 2018, used for the production (including enhanced recovery thereof), exploration, development, drilling for, gathering, treatment, handling, processing, storing, transportation, sale or disposal of Hydrocarbons produced from the Leases and Wells or water produced from or used in connection with the Leases and Wells, including pipelines, gathering lines, tanks, machinery, equipment, meters, measurement telemetry, appliances, pipes, valves and fittings, and all titled and non-titled vehicles, including all of those items described on **Exhibit C**;

(e) all surface leases, permits, right-of-way, licenses, easements and other surface rights (including those rights-of-way, easements and surface use agreements described in **Exhibit D**) in each case used for or held for use in connection with the production (including enhanced recovery thereof), exploration, development, drilling for, gathering, treatment, handling, processing, storing, transportation, sale or disposal of Hydrocarbons or water produced from the Leases and Wells;

(f) all fee surface interests located within the Contract Area;

(g) all fee mineral interests, landowners' royalty interests, non-participating royalty interests, or other similar interests located within the Contract Area or in, on, or under the Lands;

(h) without limitation of the foregoing and excepting only the Excluded Assets, any oil, gas or other Hydrocarbon or water properties or interests located in the Contract Area including all other right, title and interest (of whatever kind or character, whether legal or equitable, and whether vested or contingent) of Assignor in and to any Hydrocarbons produced from lands located within the Contract Area and property, Permits, rights, and interests with respect to the Contract Area (including interests in oil, gas and/or mineral leases, fee mineral interests, fee royalty interests, overriding royalty interests, net profits interests, production payments, surface fee lands, water rights, surface and subsurface rights, and any other rights or interests insofar as they cover, or arise with respect to, or are located within, the Contract Area), and all Hydrocarbon or water pipelines in the Contract Area and any related wells, pumps, motors, valves, tanks, traps, interconnections, cathodic protection equipment, loading racks, recorders, flow meters, communications equipment, improvements, and facilities and other appurtenant equipment related to or used in connection with any of the foregoing;

(i) all Applicable Contracts (other than the Excluded Contracts), including sales and purchase contracts, operating agreements, exploration agreements, development agreements, balancing agreements, farm-out agreements, service agreements, transportation,

processing, treatment and gathering agreements, power purchase agreements, equipment leases, and other contracts, agreements and instruments, including the Contracts described on **Exhibit E**, insofar as they relate to the interests described in this Section 1 (collectively, the "**Assigned Contracts**");

(j) all claims for refunds of any Asset Taxes attributable to any period from and after the Effective Time;

(k) all Hydrocarbons classified as oil produced from the Wells which are in the storage tanks on or near the Lands at the Effective Time and for which Assignor was paid as a Purchase Price adjustment under Section 3.4(c)(4) of the Purchase Agreement;

(l) except with respect to the Excluded Assets and the Retained Liabilities, all claims, refunds, abatements, variances, allocations, causes of action, claims for relief, choses in action, rights of recovery, rights of set-off, rights of indemnity, contribution or recoupment, counter-claims, cross-claims and defenses of Assignor to the extent related to the Assets and arising or relating to events occurring from and after the Effective Time or related to the Assumed Liabilities;

(m) subject to Section 14.2 of the Purchase Agreement, all files, records and data maintained by Assignor relating to the interests described in this Section 1, including all agreement files, lease files, land files, well files, well logs and other well data, maps, division order files, abstracts, title files, title opinions, production files, technical, engineering and maintenance files, operations, environmental, safety and other similar information, but excluding from the foregoing those files, records and data that may not be disclosed or transferred under applicable Laws or that are subject to legal privilege (other than title opinions) or unaffiliated third-Person contractual restrictions on disclosure or transfer (subject to the Excluded Assets, the "**Records**");

(n) all geological surveys, seismic records, gravity maps, gravity meter surveys, seismic surveys and other similar geological or geophysical surveys or data covering any portion of the Contract Area, in each case only to the extent such data is transferable without the payment of any fee or additional consideration to a Third Party (unless Assignee agrees in advance in writing to pay such fee or consideration) or the breach of any confidentiality restrictions owed to any Person other than Assignor or its Affiliates (*provided* that Assignor or its Affiliates have used commercially reasonable efforts to obtain waivers of any such confidentiality restrictions);

(o) those Imbalances relating to the Assets described on Schedule 7.28 to the Purchase Agreement;

(p) all rights of Assignor to audit the records of any Person and to receive refunds or payments of any nature, and all amounts of money relating thereto, whether before, on or after the Effective Time, but, with respect to the period prior to the Effective Time, only to the extent relating to the obligations assumed by Assignee under the Purchase Agreement or this Assignment or with respect to which Assignee has an obligation to indemnify Assignor;

(q) all post-petition adequate assurance deposits provided to utilities and any deposits provided to suppliers or service providers to Assignor on a pre-petition or post-petition basis unless specifically provided for under an Assigned Contract, in which case it shall be an Asset;

(r) all rights, claims, and causes of action (including warranty and similar claims, indemnity claims, and defenses) of Assignor whether arising before, on, or after the Effective Time, but, with respect to the period prior to the Effective Time, only to the extent relating to the Assumed Liabilities; and

(s) all appliances, furniture, supplies, office supplies, office equipment, fixtures, information technology related hardware and equipment (including computers, servers, storage devices, telecommunications facilities and printers), telephone systems, telecopiers and photocopiers and other tangible personal property of every kind and description located as Assignor's or its Affiliates' offices.

2. The Excluded Assets. Notwithstanding the foregoing, the Assets shall not include, and there is excepted, reserved, and excluded from the sale, transfer, and assignment contemplated hereby, the following excluded assets and properties (collectively, the "*Excluded Assets*"):

(a) all rights, claims, and causes of action (including warranty and similar claims, indemnity claims, and defenses, and any and all Contract rights, claims, revenues, recoupment rights, recovery rights, accounting adjustments, mispayments, erroneous payments or other claims of any nature in favor of Assignor and relating and accruing to any time period prior to the Effective Time) whether arising before, on, or after the Effective Time to the extent such rights, claims, and causes of action relate to any of the Retained Liabilities;

(b) any accounts receivable (including those attributable to the overpayment of Burdens), trade accounts, accounts payable (other than Suspense Funds) or any other receivables affecting the interests described in Section 1 accruing before the Effective Time;

(c) all corporate, financial, tax, legal, title and other records, files and data of Assignor other than the Records, including (i) employment records, personnel information, personnel records and medical records, relating to any employee of Assignor; and (ii) records and files to the extent they cannot be disclosed under the terms of any third-Person Contract or are not transferable without payment of fees or penalties (except as may be agreed to be paid by Assignee) or cannot be disclosed under applicable Law;

(d) all insurance policies and rights to proceeds thereof;

(e) other than as described in Section 1(k), all Hydrocarbon production from or attributable to the Assets with respect to all periods prior to the Effective Time and all proceeds attributable thereto;

(f) all trade credits, refunds of costs, or expenses borne by Assignor, in each case attributable to the Assets and attributable to any period of time prior to the Effective Time;

- (g) any refund of Seller Taxes;
- (h) Assignor's and its Affiliate's economic projections or analyses relating to the Assets;
- (i) all deposits, cash, checks and funds attributable to Assignor's interests in the Assets with respect to any period of time prior to the Effective Time;
- (j) any logo, service mark, copyright, trade name or trademark of or associated with Assignor or any of its Affiliates or any business of Assignor or of its Affiliates;
- (k) documents prepared or received by Assignor or its Affiliates, if any, with respect to (i) lists of prospective buyers for the Assets compiled by Assignor, (ii) offers, bids or proposals submitted by other prospective buyers of the Assets, (iii) analyses by Assignor of any offers, bids or proposals submitted by any prospective buyer, (iv) correspondence between or among Assignor, its Representatives, and any prospective buyer other than Assignee, and (v) correspondence between Assignor or any of its Representatives with respect to any offers or bids, the prospective buyers, or the Transaction;
- (l) all (i) Contracts set forth on **Exhibit F**, (ii) master service agreements, drilling contracts, or similar agreements; and (iii) Contracts that are not Assigned Contracts (all of such Contracts in clauses (i) through (iii) are the "**Excluded Contracts**");
- (m) all leases for office space;
- (n) all Hedge Contracts;
- (o) all Debt Contracts;
- (p) all Seller Plans;
- (q) all prepayments, good faith and other bid deposits submitted by any Third Party under the terms of the Bidding Procedures Order;
- (r) the Avoidance Actions;
- (s) any claims that the Assignor might have against Sigma Cubed, Inc. relating to periods prior to the Effective Time;
- (t) that Oil and Gas Lease dated February 25, 2006, recorded March 10, 2006, in Book 460 at Page 360 and Reception No. 325699 of the Records of Lincoln County, Colorado, from Martha W. Craig, as Lessor, to Trinity Production Co., as Lessee, ONLY INsofar as such Oil and Gas Lease covers Lots 1 4, SW/4NE/4, S/2NW/4, and S/2 of Section 1, Township 14 South, Range 55 West, 6th P.M., Lincoln County, Colorado;

(u) Oil and Gas Lease No. OG-109212 from the State of Colorado, acting by and through the State Board of Land Commissioners, dated August 15, 2013, covering the NW/4 of Section 22, Township 8 South, Range 55 West, 6th P.M., Lincoln County, Colorado; and Oil and Gas Lease No. OG-107126 from the State of Colorado, acting by and through the State Board of Land Commissioners, dated November 20, 2014, covering the W/2NE/4 and W/2NW/4 of Section 12, Township 10 South, Range 56 West, 6th P.M., Lincoln County, Colorado; and

(v) any Assets that are excluded from the Transaction under the express terms of the Purchase Agreement;

*provided, however*, that in the case of any rights or benefits included in Excluded Assets that relate to any Assumed Liabilities, such rights and benefits will be deemed part of the Assets.

3. Special Warranty of Title. Subject to Permitted Encumbrances, Assignor warrants and shall forever defend title to the Assets unto Assignee and its successors and assigns against any Person whomsoever lawfully claiming, or to claim the same, or any part thereof, by, through or under Assignor and its Affiliates, but not otherwise.

4. Subrogation. To the extent permitted by Law, Assignee shall be subrogated to Assignor's rights in and to representations, warranties, and covenants given with respect to the Assets. Assignor hereby grants and transfers to Assignee, its successors and assigns, to the extent so transferable and permitted by Law, the benefit of and the right to enforce the covenants, representations and warranties, if any, which Assignor is entitled to enforce with respect to the Assets.

5. Successors and Assigns. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns, and all obligations shall be a covenant running with the land. This Assignment is intended to be recorded and filed of record.

6. Governmental Forms. Separate governmental form assignments of Assets may be executed on officially approved forms by Assignor to Assignee, in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the terms of this Assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the interests conveyed herein, and subject to the reservations and exclusions set forth under the terms of this Assignment. In the event there is a conflict between the terms of this Assignment and the terms of any governmental forms of assignment relating to the Assets, the terms of this Assignment will control to the extent of such conflict.

7. Entire Understanding; Purchase Agreement. This Assignment supersedes all other prior written or oral agreements, except the Purchase Agreement, which this Assignment is made subject to. If there is a conflict between the terms of this Assignment and the terms of the Purchase Agreement, the terms of the Purchase Agreement will control to the extent of the conflict. Assignor and Assignee intend that the terms of the Purchase Agreement not merge into the terms of this Assignment. There are no oral agreements between the Parties not set out in writing.

8. Sale Order. The Parties acknowledge that, on May 15, 2018, Assignor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (11 U.S.C. §§ 101 et seq., as amended, and collectively with the Federal Rules of Bankruptcy Procedure, the "**Bankruptcy Code**"), commencing a bankruptcy proceeding in Case No. 18-10989 (the "**Bankruptcy Case**"), with the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**"). On June 28, 2018, the Bankruptcy Court issued the *Order (A) Authorizing Sale of Assets Free and Clear of Liens, Claims, Encumbrances and Other Interests, (B) Approving Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* in the Bankruptcy Case (the "**Sale Order**"). A copy of the Sale Order, including Exhibit A thereto, is attached as **Annex II** to this Assignment, and Exhibit B to the Sale Order is available upon request. This Assignment is made pursuant and subject to such Sale Order. Notwithstanding the foregoing, third parties may conclusively rely on this Assignment to vest title to the Assets in Assignee.

9. Further Assurances. Each Party covenants and agrees to execute and deliver to the other Party all such additional reasonable instruments and other documents and will do all such other reasonable acts and things as may be necessary to more fully assure to Assignee or its successors or assigns, all of the respective properties, rights and interests herein and hereby granted or intended to be granted, including, without limitation, executing separate assignments of individual oil, gas and mineral leases or interests therein, which are included in the Assets and which are necessary to facilitate the recognition of Assignee's ownership of the Assets.

10. Exhibits and Annexes. All exhibits and annexes attached hereto are hereby made part hereof and incorporated herein by this reference. References in such exhibits and annexes to instruments on file in the public records are notice of such instruments for all purposes. Unless provided otherwise, all recording references in such exhibits and annexes are to the appropriate records of the counties in which the Assets are located.

11. Counterparts. This Assignment may be executed by Assignor and Assignee in any number of counterparts, each of which shall be deemed an original instrument, but all of which together shall constitute but one and the same instrument.

12. Amendment and Waiver. This Assignment may not be amended nor any rights under this Assignment waived except by an instrument in writing signed by the Party to be charged with such amendment or waiver and delivered by such Party to the Party claiming the benefit of such amendment or waiver. No waiver of any provision of this Assignment shall be deemed or shall constitute a waiver of any other provision of this Assignment (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

13. Severability. If any provision of this Assignment is held to be illegal, invalid or unenforceable under present or future Laws effective during the term hereof such provision shall be fully severable; this Assignment shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised apart hereof, and the remaining provisions of this Assignment shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Assignment.

14. Recording. To facilitate the recording or filing of this Assignment, the counterpart to be recorded in a given county may contain only that portion of the exhibits and annexes that describes the Assets located in that county.

15. Governing Law. This Assignment and any arbitration or dispute resolution conducted pursuant hereto shall be construed in accordance with, and governed by, the Laws of the State of Colorado without reference to the conflict of Laws principles thereof.

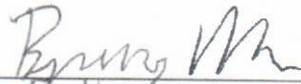
*[Signature Pages Follow.]*



Assignee has executed this Assignment as of the date of its acknowledgement, but this Assignment is effective for all purposes as of the Effective Time.

**ASSIGNEE**

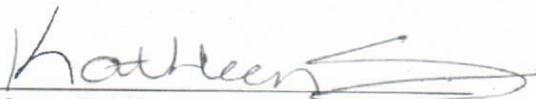
**POLARIS PRODUCTION PARTNERS LLC**

By:   
Name: Bradley Morse  
Title: Manager

**Acknowledgement**

STATE OF Delaware §  
§  
COUNTY OF Newport §

This instrument was acknowledged before me this 17<sup>th</sup> day of July, 2018, by Bradley Morse, as manager of Polaris Production Partners LLC, a Delaware series limited liability company, on behalf of the series limited liability company.

  
Notary Public

My Commission Expires: 12/11/21