


UNITED STATES BANKRUPTCY COURT		PROOF OF CLAIM
Name of Debtor: ERG Resources LLC ERG Operating Company LLC	Case Number: 15-31858	RECEIVED MAY 13 2015 LEGAL SERVICES
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.		COURT USE ONLY
Name of Creditor (the person or other entity to whom the debtor owes money or property): Petrorock LLC		
Name and address where notices should be sent: Petrorock LLC PO Box 13550 Bakersfield CA 93389 Telephone number: (661) 616-0600 email: inahama@petrorock.com		<input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where payment should be sent (if different from above): Telephone number: _____ email: _____		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
1. Amount of Claim as of Date Case Filed: \$ <u>15,769.15</u> (attached)		Filed: USBC - Northern District of Texas ERG Intermediate Holdings, LLC 15-31858(HDH)  000000001
If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5.		
<input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: <u>per contract (attached)</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor:	3a. Debtor may have scheduled account as: _____ (See instruction #3a)	3b. Uniform Claim Identifier (optional): _____ (See instruction #3b)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____
5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.		
<input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B).	<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,475*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507 (a)(4).	<input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507 (a)(5). Amount entitled to priority: \$ _____
<input type="checkbox"/> Up to \$2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).	<input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).	<input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(____).
*Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.		
6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)		

DEFINITIONS**Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507 (a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION**Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim.

However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Sales Summary
Produced Tunnell Gas Sales to ERG (Metered at Tunnell Facility)

Day	2014							2015			
	June	July	August	September	October	November	December	January	February	March	April
1	0	0	0	0	0	0	189	0	146	119	0
2	0	0	0	0	0	0	206	1	126	219	24.6
3	0	0	0	0	0	121	206	0	78	146.7	98.2
4	0	0	0	0	0	167	206	0	69	131	41
5	0	74	0	0	0	170	202	3	70	0	56
6	0	78	0	0	0	180	224	11	26	87	7.5
7	0	85	0	0	0	172	206	11	125	91	0
8	0	87	0	0	0	182	201	0	23	103	7.5
9	0	91	0	0	0	174	170	129	4	101	0
10	0	92	0	0	0	177	148	226	17	56	0
11	0	97	0	0	0	183	165	220	35	14	0
12	0	100	0	0	0	191	158	224	0	0	0
13	0	107	0	0	0	191	170	226	0	9	0
14	0	28	0	0	0	117	176	0	3	14	0
15	0	76	0	0	0	63	180	0	0	0	0
16	0	57	0	0	0	57	194	0	8	0	23.4
17	0	34	0	0	0	132	178	0	0	0	9.3
18	0	30	0	0	0	199	222	1	3.5	0	30.5
19	0	28	0	0	0	200	223	11.8	35.5	0	11
20	0	0	0	0	0	90	215	1.3	50.9	22.2	66.4
21	0	0	0	0	0	90	232	1.3	13.9	0	47.2
22	0	0	0	0	0	63	232	15	68	0	94.4
23	0	0	0	0	0	39	232	99.3	26.1	24.6	139.6
24	0	0	0	0	0	73	232	197.6	100.3	25.1	133.4
25	0	0	0	0	0	88	232	112	91	15.3	138.8
26	0	0	0	0	0	206	232	15.4	90	0.4	136.4
27	0	0	0	0	0	213	129	32.6	86.3	5.3	140.2
28	0	0	0	0	0	206	128	53.4	124.6	0	176.9
29	0	0	0	0	0	229	47	242		17	173
30	0	0	0	0	0	209	47	164		3.1	183
31	0	0	0		0		0	96		0	
Total Gas	0	1064	0	0	0	4182	5582	2093.7	1420.1	1203.7	1738.3
BTU Bench	900	900	900	900	900	900	900	900	900	900	900
MMBTU	0	957.6	0	0	0	3763.8	5023.8	1884.33	1278.09	1083.33	1564.47
CA Border \$ (EIA City Gate)	\$ 4.75	\$ 5.21	\$ 4.36	\$ 4.50	\$ 4.72	\$ 3.95	\$ 4.78	\$ 3.58	\$ 3.30	\$ 3.32	\$ 2.97
ERG Price	\$ 1.19	\$ 1.30	\$ 1.09	\$ 1.13	\$ 1.18	\$ 0.99	\$ 1.20	\$ 0.90	\$ 0.83	\$ 0.83	\$ 0.74
Total Sale	\$ -	\$ 1,247.27	\$ -	\$ -	\$ -	\$ 3,716.75	\$ 6,003.44	\$ 1,686.48	\$ 1,054.42	\$ 899.16	\$ 1,161.62

Total Due \$ 15,769.15
 6/1/14-4/30/15

NATURAL GAS PURCHASE AND SALE AGREEMENT BETWEEN
Petro Rock, LLC AND
ERG Operating Company, LLC

The following will evidence an agreement (the "Agreement") between PetroRock LLC herein after ("Seller") and ERG Operating Company, LLC, hereinafter ("Buyer") for natural gas sales from Seller's Tunnell and/or Travis Tank Battery into Buyer's gas collection system at the Cantin Lease in the Cat Canyon Oil Field, subject to the following terms and conditions. This Agreement shall also be known as the ERG Tunnell Fuel Gas Purchase Agreement.

TERM: The term under this Agreement shall commence June 1st, 2014 and shall continue for an Initial Term of one calendar year and thereafter on a month to month basis subject to termination by thirty (30) days prior written notice from one party to the other party after the expiration of the initial term.

QUANTITY: Seller and Buyer hereby acknowledge that Seller utilizes its produced gas in its own operations, and that delivery of gas to Buyer, if any, is subject to Seller having excess gas to sell. Subject to the terms of this Agreement, Seller shall utilize reasonable efforts to deliver and sell, and Buyer shall utilize reasonable efforts to receive and purchase, the volume as set forth in Appendix "A", attached hereto and made a part hereof, together with any additional quantities upon which the parties may in writing agree. Buyer's obligation to purchase gas is subject to Buyer's ability to utilize gas which may be limited due to volume, pressure and/or gas quality limitations and Seller's obligation to sell gas is subject to Seller having excess gas and Seller's ability to provide gas which may be limited due to volume, pressure and/or gas quality limitations. Daily quantities of gas purchased hereunder will be delivered to Buyer at a constant daily rate as is reasonably possible, unless otherwise agreed by the parties.

PRICE: Buyer shall pay Seller for the volumes of gas delivered hereunder the product of the volumes and the Price per MMBTU as set forth in Appendix "A", attached hereto. The term MMBTU is defined as one (1) million BTU's. The BTU value of the gas shall be determined in accordance with the MEASUREMENT section of this Agreement. Such price will be inclusive of all taxes, transportation charges, expenses and costs attributable to the gas prior to its delivery at the Delivery Point(s). Seller is responsible for and hereby agrees to pay all applicable sales, use and gross receipts taxes or charges arising before and at the time of delivery and/or title transfer of the gas sold hereunder to Buyer. Buyer is responsible for all transportation charges and taxes incurred after the Delivery Point(s) except as further provided herein.

DELIVERY POINT(S), TITLE AND POSSESSION: The point(s) at which gas delivered under this Agreement will be delivered to Buyer is/are the Delivery Point(s) set out in Appendix "A", attached hereto. Seller will have possession of the gas and will arrange for all necessary transportation of gas from Seller's source(s) of such gas to the Delivery Point(s). Buyer will take possession of and title to the gas at the Delivery Point(s).

PERMITTING AND CONSTRUCTION: Seller and Buyer currently have no existing pipelines which connect to Delivery Point. The Seller shall at its own expense build a natural gas pipeline from its "Tunnell lease" to the Delivery Point. The Buyer at its own expense shall build a natural gas pipeline from its "Cantin lease" facility to the Delivery Point. Both parties shall be responsible for their own permitting and regulatory compliance issues as to the approval and construction of their pipelines. Seller shall inform and copy the Buyer of all the needed regulatory permits and approvals for their pipeline, including but not limited to the Santa Barbara County Encroachment Permit to cross Orcutt/Garey Road. Buyer shall begin construction of their pipeline once the Seller's pipeline has been substantially completed to the Delivery Point. Buyer agrees to construct and complete its pipeline to the Delivery Point within no more than thirty (30) days of the notification that Seller's pipeline has been completed to the Delivery Point.

BILLING AND PAYMENT: On or before the twenty-fifth (25th) day of each calendar month, beginning with the month following the initial month of sales, Seller shall render to Buyer a statement showing the measured quantity of gas delivered under this Agreement at the Delivery Point(s) during the preceding month, the volume purchased and sold, the Price in effect for such gas, and the total amount due to Seller. Buyer shall pay to Seller, on or before the last day of the month in which such statement is received, the stated total amount to the address identified in the Notices and Payments section of this Agreement. If there is a bona fide dispute with regard to any amount billed, Buyer shall nevertheless pay the undisputed amount when due. However, payment of such amount shall not prejudice either party's rights regarding the disputed amount. The obligations of Buyer to make payment for gas that has been delivered hereunder shall survive the termination, cancellation or expiration of this Agreement.

AUDITING: Each party has the right, at its sole expense and during normal working hours, to examine the records of the other as necessary, to verify the accuracy of any statement, charge, notice or computation made pursuant to the provisions of this Agreement. If any such examination reveals any inaccuracy in any statement, charge, notice or computation, the necessary adjustments will be promptly made; provided that no adjustment for any statement or payment will be made after the lapse of one (1) year from the rendition thereof, and provided further that this provision of this Agreement will survive any termination of this Agreement for a period of one (1) year from the date of such termination for such statement and payment and any subsequent adjustments.

MEASUREMENT: The gas characteristics necessary to determine gas volumes and/or payment shall be determined weekly at the Delivery Point by Seller at Seller's expense. The methods of measuring heat content and composition of gas delivered to the Delivery Point(s) shall be determined by a mutually agreed upon third-party laboratory in accordance with the standard industry practices or as specifically defined herein. The quantity of gas measured by the Seller shall constitute the quantity delivered to the Delivery Point(s) for all purposes of this Agreement, including but not limited to payment. Such quantity shall be determined on a gross, dry basis by Seller in accordance with the provisions of the American Gas Association Report No.3. If Buyer desires additional testing, such tests shall be at Buyer's expense. Seller shall calibrate the delivery meter as per the specifications of

the meter in use. Seller shall provide Buyer with reasonable advance notice prior to calibration of the meter, and Buyer shall have the right to witness such calibration.

QUALITY/PRESSURE/SHUT OFF: Seller shall provide a minimum gas pressure of 30 PSIG at the Delivery Point. Seller shall further provide fuel gas of a minimum heat content of 900 BTU/SCF and a maximum heat content of 1,200 BTU/SCF (Per Standard Cubic Foot) measured on a Gross, Dry basis and containing no more than the following impurities: 0.5 mole % or less of O₂ (oxygen); 2.0 mole % or less of N₂ (Nitrogen), 20PPMV of Total Reduced Sulfur and 20 mole % or less of CO₂ (Carbon Dioxide). If Seller does not provide fuel gas of the above stated quality, Buyer shall have the right to Shut Off the fuel gas line at the Delivery Point. Buyer further reserves the right to shut off fuel gas in the case of emergency, equipment maintenance; equipment failure or the Buyer's Cat Canyon Field Wide gas handling capacity has been exceeded.

WARRANTY AND INDEMNIFICATION: Seller warrants that, at the time of delivery of all gas sold hereunder to Buyer, Seller will have the right to sell such gas, that such gas will be free and clear of all liens, encumbrances or claims, and that Buyer will receive good title to all such gas, and that to the best of Seller's knowledge and ability, the gas will meet the gas quality specifications as set forth herein. Seller agrees to indemnify, defend and hold harmless Buyer against any claim, loss, damage or expense resulting from any dispute as to Seller's title to the gas, liens on the gas, or Seller's right to sell the gas. Seller further agrees to indemnify, defend and hold harmless Buyer against any claim, loss, damage or expense that Buyer may sustain arising out of claims involving gas sold hereunder prior to its delivery at the Delivery Point(s). Buyer agrees to indemnify, defend and hold harmless Seller against any direct loss, damage and expense that Seller may sustain arising out of claims involving gas sold hereunder after its delivery at the Delivery Point(s), only so long as such gas is delivered in accordance with this Agreement. The warranties and indemnifications provided by this Agreement will survive the termination, cancellation and/or expiration of this Agreement.

NOTICES AND PAYMENTS: Any notice, request, demand, statement, or payment provided for in this Agreement shall be made in writing as specified below. Such communication shall be deemed received on the third business day following the date of deposit thereof in a United States Postal Service office, registered or certified, enclosed in a sealed envelope with requisite postage thereon. A notice sent by facsimile transmission or electronic mail sent prior to 3:00 PM prevailing Pacific Time and confirmed by the transmitting party's facsimile machine or receiving email server shall be deemed received by the close of the Business Day on the day such notice was transmitted or such earlier time as confirmed by the receiving party. Notice by overnight mail or courier shall be deemed to have been received two (2) business days after it was sent or such earlier time as is confirmed by the receiving party unless it confirms a prior verbal communication in which case any such notice shall be deemed received on the day sent. The addresses of the parties are as follows:

NOTICES:

To Buyer: PetroRock, LLC
ATTN Chuck Dobie
P.O. Box 13550
Bakersfield, CA 93389
Phone: (661) 616-0600
Fax: (661) 616-0601
Email: cdobie@vaqueroenergy.com

To Seller: ERG Operating Company, LLC
4900 California Avenue Suite 300B
Bakersfield, CA 93309
Phone: (661) 249-6441
ATTN: Phil Sorbet

PAYMENTS:

To Seller: PetroRock, LLC
ATTN Cary Nickel
P.O. Box 13550
Bakersfield, CA 93389
Phone: (661) 616-0600
Fax: (661) 616-0601

To Buyer: ERG Operating Company, LLC
4900 California Avenue Suite 300B
Bakersfield, CA 93309
Phone: (661) 249-6441
ATTN: Phil Sorbet

The above addresses shall be effective unless and until any party shall change the place or places of notice by written communication sent to the other by mail as aforesaid.

ASSIGNMENT: This Agreement may not be assigned by either party, except to an affiliate of the assigning party, without the written consent of the other party being first had and obtained. Such consent to assignment shall not be unreasonably withheld. Subject to the foregoing, this Agreement shall extend to and will be binding upon the respective successors and assigns of Buyer and Seller.

APPLICABLE LAW: This Agreement is governed by the laws of the state of California, without recourse to the rules of conflict of laws.

NON-UTILITY STATUS: It is mutually understood and agreed that Seller does not consider itself a public utility and does not intend, by this Agreement or by its performance of any

obligation hereunder, to dedicate to public or quasi-public use or purpose any natural gas pipelines, nor any portion thereof, nor any facilities which Seller may own or operate, nor any natural gas supplies, and Buyer agrees that the execution of this Agreement shall not, nor shall any performance or partial performance hereunder, be or ever be deemed or urged by Buyer to be a dedication to public or quasi-public use of any of Seller's facilities identified to the Agreement hereunder as subjecting Seller to regulation of any character, description or degree.

IMPORT/EXPORT CONTROL: In performing under this Agreement, the parties agree to comply fully with all applicable laws, ordinances, rules, and regulations. The Parties agree that all imports, exports, and re-exports under this Agreement and any future Agreements shall be undertaken in accordance with all applicable U.S. foreign trade control laws and regulations. The parties further agree to cooperate fully in complying with such laws and regulations and in assisting the other party with such compliance. If licenses of any kind are required, including, but not limited to, export licenses, exports/re-exports and/or technology sharing will occur only after such license(s) have been obtained. Responses to requests from U.S. Government agency requests for information, documentation, or data of any kind will be provided by each party to the U.S. Government promptly upon request. Copies of the responses by a party to the U.S. Government will be provided to the other party upon its request. Each party is relying upon the other party's representations and warranties that it will fully comply with all U.S. foreign trade control laws and regulations including, but not limited to, any prohibitions on the transfer of products or technology contrary to U.S. foreign trade control laws or regulations.

FORCE MAJEURE: Nonperformance of any obligation hereunder, other than the obligations to pay for gas delivered and to indemnify and defend, shall be excused if prevented by an occurrence of force majeure, but only for so long as performance is prevented by such force majeure. The party claiming excuse shall promptly advise the other party of such force majeure event and shall, with reasonable efforts, seek to remedy the occurrence. The term "force majeure" as employed in this Agreement shall mean acts of God, strikes, pickets, lockouts, industrial disturbances, civil disturbances, arrests and restraint from rulers and people, interruptions by governmental or court orders, present and future orders of any regulatory body having or claiming jurisdiction, acts of the public enemy, wars, riots, blockades, insurrections, inability to secure right of way, inability to secure labor or materials, including inability to secure materials as a result of allocation promulgated by governmental agencies, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, explosions, breakage or accident to machinery or lines of pipe, freezing of wells or pipelines, partial or entire failure of gas supply, any impairment of any facilities of Seller, or any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming "force majeure". Nothing herein contained, however, shall be construed to require any party to settle a labor dispute against its will. It is understood that Buyer without liability to Seller, may interrupt the operation of a pipeline or gathering system or a refinery or any other facility using gas, for the purpose of making necessary additions, alterations or repairs thereof, and during such time acceptance

of deliveries of gas hereunder may be restricted or suspended; provided, however, such interruptions or suspensions shall be for only such times as are reasonable under the circumstances.

ENTIRE AGREEMENT: This Agreement and Appendix "A" constitute the entire agreement between the parties with respect to the subject matter hereof. No promises, agreements or warranties additional to this Agreement will be deemed to be part hereof, nor will any alteration, amendment or modification hereof be effective unless memorialized in writing and signed by both Buyer and Seller.

Accepted and agreed to this 10th day April of, 2014

"Seller"

"Buyer"

Petro Rock, LLC

"ERG Operating Company, LLC

By: Atkins (Chuck Jobie)

By: David E. [Signature]

Title: President

Title: _____
President

APPENDIX "A"

Attached to and forming a part of the NATURAL GAS PURCHASE AND SALE AGREEMENT, between ERG Operating Company, ("Seller"), and PetroRock, LLC, ("Buyer"), also known as the "ERG Tunnell Fuel Gas Purchase Agreement", are the following terms:

SELLER'S NOTICE OF CHANGES IN GAS COMPOSITION: Seller shall promptly perform a compositional analysis whenever Seller makes a material change to the composition of the gas stream delivered to Buyer and shall immediately provide copies of such compositional analyses to Buyer. Seller shall promptly input the new factors into the flow computer(s) located at the Delivery Point(s).

DELIVERY POINT(S): Seller shall provide the fuel gas to a Delivery Point which shall be a mutually agreed upon location just inside the Northern Boundary line of the "Cantin" lease, more particularly described as being the Southwest Quarter (SW/4) of Section 12, Township 9 North, Range 33 West, SBBM.

INSTALLATION OF CUSTODY TRANSFER METER AND INTERCONNECT FACILITIES: Seller shall purchase and install, metering, measurement and sampling equipment consisting of, at a minimum, a meter run, orifice meter, electronic flow totalizer, (flow computers), power supply, and gas sampling device, all of which shall meet or exceed the API Standards, MPMS (Manual of Petroleum Measurement Standards) Chapter 14. Seller shall be responsible for delivering its gas to the downstream flange of the metering facilities. In addition, Seller shall own, operate and maintain, at its sole cost and in a prudent and workmanlike manner, all metering facilities necessary to deliver gas upstream of the point of interconnect with Buyer's flange at delivery point. Seller should calibrate gas meter on monthly basis and keep the calibration records available to Buyer.

VOLUME: Delivery and sale of gas from Seller to Buyer is dependent on Seller having excess gas to delivery after use in its own operations. Seller makes no representations as to minimum volumes delivered, but will make diligent efforts to deliver gas in as constant a daily rate as is reasonably possible, unless otherwise agreed by the parties.

PRICE: Twenty-five percent (25%) of the Southern California Border average monthly index price, for the current month.

PAYMENT TO SELLER: Buyer will pay to Seller each month the product of the volume sold during the month, times the Price in effect for that month, as represented by the following formula and Accounting Example:

ACCOUNTING EXAMPLE: Assuming a monthly total of 6,200 MSCF corresponding to the monthly average of 900BTU/SCF, and the Southern California Border index price of \$6.60/MMBTU, Buyer would/shall make the following payment to Seller:


Payment =Sales Volume X Price

Sales Volume =(6,200 MSCF) X (900) = 5,580 MMBTU

Price = \$6.60 X (0.25) = \$1.65

Payment =(5,580 MMBTU) X (\$1.65) = \$9,207.

PO Box 13550
Bakersfield CA 93389

P	US POSTAGE AND FEES PAID		071800857102
	PRIORITY MAIL May 11 2015 Mailed from ZIP 93463 1 lb Priority Mail Rate Zone 6 Commercial Plus Price		
PRIORITY MAIL 2-DAY			
PETROCK LLC PO BOX 13550 Bakersfield CA 93389		0004	
SHIP TO: ERG INTERMEDIATE HOLDINGS LLC C/O EPIQ BANKRUPTCY SOLUTIONS LLC PO BOX 4419 BEAVERTON OR 97076-0400			
USPS TRACKING #			
			
9405 5102 0083 0713 4114 68			
<small>SEE USPS OR RETAILER Regarding UPS Terms, and terms of Satisfaction of Service. Where allowed by law, shippers authorize USPS to act as forwarding agent for certain limited and restricted categories. It is the shipper's responsibility to ensure that the destination, return address and other information is accurate and complete. Shipments sent to the U.S. only.</small>			

RECEIVED

MAY 13 2015

LEGAL SERVICES

ERG Intermediate Holdings, LLC Claims Center
c/o Epiq Bankruptcy Solutions, LLC
PO Box 4419
Beaverton, OR 97076-4419