

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

In re:	§	
	§	Chapter 11
	§	
EXCO RESOURCES, INC., <i>et al.</i> , ¹	§	Case No. 18-30155 (MI)
	§	
Debtors.	§	(Jointly Administered)
	§	

**DEBTORS' MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING
AND APPROVING THE SETTLEMENT BY AND AMONG DEBTORS
EXCO HOLDING (PA), INC., EXCO PRODUCTION COMPANY (PA), LLC, AND
EXCO PRODUCTION COMPANY (WV), LLC, AND NON-DEBTOR AFFILIATES
EXCO RESOURCES (PA), LLC AND EXCO APPALACHIA MIDSTREAM,
LLC, AND BG PRODUCTION COMPANY (PA), LLC, BG PRODUCTION
COMPANY (WV), LLC, AND SWEPI LP, AND (II) GRANTING RELATED RELIEF**

A HEARING WILL BE CONDUCTED ON THIS MATTER ON FEBRUARY 22, 2018, AT 2:00 PM IN COURTROOM 404, 4th FLOOR, UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS, 515 RUSK AVENUE, HOUSTON, TEXAS.

IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST RESPOND IN WRITING, SPECIFICALLY ANSWERING EACH PARAGRAPH OF THIS PLEADING. UNLESS OTHERWISE DIRECTED BY THE COURT, YOU MUST FILE YOUR RESPONSE WITH THE CLERK OF THE BANKRUPTCY COURT WITHIN TWENTY-ONE DAYS FROM THE DATE YOU WERE SERVED WITH THIS PLEADING. YOU MUST SERVE A COPY OF YOUR RESPONSE ON THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”)² respectfully state the following in support of this motion:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: EXCO Resources, Inc. (2779); EXCO GP Partners Old, LP (1262); EXCO Holding (PA), Inc. (1745); EXCO Holding MLP, Inc. (1972); EXCO Land Company, LLC (9981); EXCO Midcontinent MLP, LLC (0557); EXCO Operating Company, LP (1261); EXCO Partners GP, LLC (1258); EXCO Partners OLP GP, LLC (1252); EXCO Production Company (PA), LLC (7701); EXCO Production Company (WV), LLC (7851); EXCO Resources (XA), LLC (7775); EXCO Services, Inc. (2747); Raider Marketing GP, LLC (6366); and Raider Marketing, LP (4295). The location of the Debtors’ service address is: 12377 Merit Drive, Suite 1700, Dallas, Texas 75251.

Relief Requested

1. By this motion, the Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”), (a) authorizing entry into an agreement regarding settlement (the “Agreement Regarding Settlement”) and a settlement agreement and ancillary documents related thereto (collectively, and together with the Agreement Regarding Settlement, the “Settlement”) by and among Debtors EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC, and non-Debtor affiliates EXCO Resources (PA), LLC and EXCO Appalachia Midstream, LLC, on the one hand, and BG Production Company (PA), LLC, BG Production Company (WV), LLC, and SWEPI LP (collectively, and together with their affiliates, “Shell,” and together with the Debtors and non-Debtor affiliate EXCO Resources (PA), LLC, the “Parties”), on the other hand, annexed as **Exhibit 1** to the Order attached hereto and (b) granting related relief.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of Texas*, dated May 24, 2012 (the “Amended Standing Order”). The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Court in connection with this motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

² A detailed description of the Debtors and their businesses, and the facts and circumstances supporting the Debtors’ chapter 11 cases, are set forth in greater detail in the *Declaration of Tyler Farquharson, Chief Financial Officer and Treasurer of EXCO Resources, Inc., in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 29] (the “First Day Declaration”), filed contemporaneously with the Debtors’ voluntary petitions for relief filed under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), on January 15, 2018 (the “Petition Date”).

3. Venue is proper pursuant to 28 U.S.C. § 1408.

4. The statutory grounds for the relief requested in this Motion are sections 105(a) and 363(b) of the Bankruptcy Code, and Bankruptcy Rule 9019.

Background and the Settlement Agreement

5. In June 2010, the Debtors and certain of their affiliates entered into a joint venture with BG US Production Company, LLC and certain of its affiliates at such time (collectively, “BG”) with respect to certain assets in the Appalachia region that were held by the Debtors and by non-Debtors EXCO Resources (PA), LLC (“ERPA”) and EXCO Appalachia Midstream, LLC (“EXCO Appalachia”). Each of ERPA and EXCO Appalachia currently is 50 percent owned by Debtors EXCO Holding (PA), Inc. and 50 percent owned by BG. In connection with the joint venture, the Debtors and their affiliates, on the one hand, and BG, on the other hand, entered into a joint development agreement (“JDA”), which contained an area of mutual interest (“AMI”) provision for the Appalachia region. The AMI is set to expire in January 2020. The JDA provides that BG and its affiliates, on the one hand, and the Debtors and their affiliates, on the other hand, must offer the other unaffiliated parties a collective 50 percent of the interest acquired by the acquiring parties in any oil and gas interests, including leases, in the AMI.

6. SWEPI LP (“SWEPI”), an exploration and production company, has also had oil and gas operations in the Appalachia region, and had conducted operations in the AMI area since 2010.

7. On February 16, 2016, Royal Dutch Shell plc (“RDS”) acquired BG’s ultimate parent company (BG Group plc), causing it to become the ultimate parent of BG. Subsequent to the acquisition, the Debtors became aware that SWEPI was acquiring leases within the AMI

without offering an interest to the Debtors. The Debtors attempted to address this issue by engaging with SWEPI directly. Unable to resolve the dispute, the Debtors commenced arbitration against RDS, SWEPI, and BG on March 10, 2017 to enforce their alleged rights under the AMI provision. In connection with commencing arbitration, the Debtors also filed a state court action in an attempt to compel RDS³, Shell Oil Company (“SOC”), and SWEPI to participate in the arbitration proceedings. The state court denied the Debtors’ motion to compel on December 19, 2017, and the action remains pending in state court.

8. During the course of the arbitration, the Debtors and Shell participated in a mediation in October 2017. Following mediation and in advance of the Petition Date, the Debtors and Shell began settlement discussions, which ultimately resulted in the agreement embodied in the Settlement. Pursuant to the Agreement Regarding Settlement, the Parties agreed to enter into the Settlement to mutually terminate the AMI provision and certain other agreements that govern the joint venture and to otherwise fully resolve related disputes between the Parties subject to obtaining the Order. The Settlement reflects the Parties’ mutual desire to wind up all joint venture dealings among the Parties and their affiliates in the Appalachia region, except as otherwise provided therein, and to settle both the arbitration and the related state court action without further cost or expense.

9. The Debtors believe the Settlement is in the best interests of the Debtors and their estates. **First**, the Settlement will double the Debtors’ and their affiliates’ acreage position in the Appalachia region from approximately 184,100 to approximately 371,400 net acres. **Second**, the Debtors’ and their affiliates’ production in the Appalachia region will also double from approximately 28 Mmcft/day to approximately 56 Mmcft/day. **Third**, the Settlement will eliminate the Debtors’ and their affiliates’ complex joint venture structure and AMI restrictions

³ The Debtors nonsuited the case against RDS.

in the Appalachia region, which will increase the marketability of the Debtors' and their affiliates' assets in that region.

10. The Debtors have reviewed and analyzed their options with respect to the arbitration and attendant litigation. In their sound business judgment, the Debtors concluded that the expense and distraction of further arbitration and litigation would be an unnecessary drain on the Debtors' resources, particularly as the Debtors are focused on their restructuring efforts. Further, even if the Debtors ultimately were successful in the arbitration, the value realized through the Debtors' participation under the AMI prior to its expiration is highly uncertain and likely would require significant capital outlays. As a result, the Debtors believe that it is in their best interests to settle their differences with Shell. In light of the foregoing, the Debtors negotiated the terms of a consensual settlement with Shell and certain of its affiliates.

11. Under the terms of the Settlement:⁴

- a. BG will transfer to the Debtors (i) its 100 percent membership interest in each of BG Production Company (PA), LLC and BG Production Company (WV), LLC and (ii) its 50 percent membership interest in each of ERPA and EXCO Appalachia;
- b. Shell and the Debtors will terminate and consider fulfilled obligations and liabilities under certain specified agreements related to the joint venture in the Appalachia region;
- c. the Debtors will acquire Shell's share of the working capital of ERPA, which is approximately \$7,199,517;
- d. the Debtors will waive accounts receivables owed by Shell to ERPA in the amount of \$2,569,899;
- e. the Debtors will reconvey to SWEPI any interest they own in the 36 leases, representing an interest in approximately 364 net acres, that SWEPI had previously offered to the Debtors in September 2016 during the pendency of the arbitration, free and clear of any liens, mortgages,

⁴ The following summary is provided for illustrative purposes only and is qualified in its entirety by reference to the Settlement. In the event of any inconsistency between this summary and the Settlement, the Settlement controls in all respects.

interests, or other encumbrances under section 363(f) of the Bankruptcy Code, or in the alternative EXCO will provide SWEPI with executed releases from EXCO's creditors for all liens, mortgages, or other encumbrances that have been placed on the reconveyed properties, in consideration for a cash payment of \$657,000;

- f. the Parties and certain of their respective affiliates will mutually release all existing, future, known, and unknown claims for all existing, future, known, and unknown damages and remedies the Parties and certain of their affiliates may have against one another arising out of or relating to the JDA, the AMI, the arbitration, the state court action, and all joint venture dealings among the Parties and certain of their affiliates in the Appalachia region, except as expressly provided in the Settlement; and
- g. the Debtors will cause the arbitration and the state court action to be dismissed with prejudice.

12. To finally resolve the arbitration and the Debtors' disputes with Shell, the Debtors seek authorization to enter into the Settlement and to implement its terms. Upon entry of the Order, the Debtors and Shell will carry out the terms of the Settlement.

Basis for Relief

13. Bankruptcy Rule 9019(a) provides, in relevant part:

On motion by the [debtor in possession] and after notice and a hearing, the court may approve a compromise or settlement. Notice shall be given to creditors, the United States trustee, . . . and indenture trustee as provided in Rule 2002 and to any other entity as the court may direct.

Fed. R. Bankr. P. 9019(a).

14. "To minimize litigation and expedite the administration of a bankruptcy estate, [c]ompromises are favored in bankruptcy." *Myers v. Martin (In re Martin)*, 91 F.3d 389, 393 (3d Cir. 1996) (internal quotations omitted); *see also Will v. Nw. Univ. (In re Nutraquest, Inc.)*, 434 F.3d 639, 644 (3d Cir. 2006) ("[s]ettlements are favored [in bankruptcy]"); *In re Key3Media Grp., Inc.*, 2006 WL 2842462, at *3 (D. Del. Oct. 2, 2006) (same); *In re Adelphia Commc'n Corp.*, 361 B.R. 337, 348 (Bankr. D. Del. 2007) (same). Settlements are considered a "normal

part of the process of reorganization” and a “desirable and wise method[] of bringing to a close proceedings otherwise lengthy, complicated, and costly.” *Rivercity v. Herpel (In re Jackson Brewing Co.)*, 624 F.2d 599, 602 (5th Cir. 1980) (citations omitted) (decided under the Bankruptcy Act).

15. Pursuant to Bankruptcy Rule 9019(a), a bankruptcy court may, after appropriate notice and a hearing, approve a compromise or settlement so long as the proposed settlement is fair, reasonable, and in the best interest of the estate. See *In re Age Ref. Inc.*, 801 F.3d 530, 540 (5th Cir. 2015). Ultimately, “approval of a compromise is within the sound discretion of the bankruptcy court.” See *United States v. AWECO, Inc. (In re AWECO, Inc.)*, 725 F.2d 293, 297 (5th Cir. 1984); *Jackson Brewing*, 624 F.2d at 602–03.

16. In *Jackson Brewing*, the United States Court of Appeals for the Fifth Circuit set forth a three-factor balancing test under which bankruptcy courts are to analyze proposed settlements. The factors the Court must consider are: “(1) the probability of success in litigating the claim subject to settlement, with due consideration for the uncertainty in fact and law; (2) the complexity and likely duration of litigation and any attendant expense, inconvenience, and delay; and (3) all other factors bearing on the wisdom of the compromise.” See *Age Ref. Inc.*, 801 F.3d at 540 (internal citations omitted).

17. Under the rubric of the third factor referenced above, the Fifth Circuit has specified two additional factors that bear on the decision to approve a proposed settlement. **First**, the court should consider “the paramount interest of creditors with proper deference to their reasonable views.” *Id.*; *Conn. Gen. Life Ins. Co. v. United Cos. Fin. Corp. (In re Foster Mortg. Corp.)*, 68 F.3d 914, 917 (5th Cir. 1995). “While the desires of the creditors are not binding, a court ‘should carefully consider the wishes of the majority of the creditors.’” *Id.* at

917 (quoting *In re Transcontinental Energy Corp.*, 764 F.2d 1296, 1299 (9th Cir. 1985)). **Second**, the court should consider the “extent to which the settlement is truly the product of arms-length bargaining, and not of fraud or collusion.” *Age Ref. Inc.*, 801 F.3d at 540; *Foster Mortg. Corp.*, 68 F.3d at 918 (citations omitted).

18. Generally, the role of the bankruptcy court is not to decide the issues in dispute when evaluating a settlement. *Watts v. Williams*, 154 B.R. 56, 59 (S.D. Tex. 1993). Instead, the court should determine whether the settlement as a whole is fair and equitable. *Protective Comm. for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968).⁵

19. Further, the Bankruptcy Code authorizes the use and disposition of property outside the ordinary course of business with court approval and a valid business reason. Specifically, the Bankruptcy Code authorizes a debtor in possession to “use, sell, or lease, other than in the ordinary course of business, property of the estate,” after notice and a hearing. 11 U.S.C. § 363(b)(1). It is well established in this jurisdiction that a debtor may use property of the estate outside the ordinary course of business under this provision if there is a good business reason for doing so. *See, e.g., ASARCO, Inc. v. Elliott Mgmt. (In re ASARCO, L.L.C.)*, 650 F.3d 593, 601 (5th Cir. 2011) (“[F]or the debtor-in-possession or trustee to satisfy its fiduciary duty to the debtor, creditors, and equity holders, there must be some articulated business justification for using, selling, or leasing the property outside the ordinary course of business.”) (quoting *In re Cont’l Air Lines, Inc.*, 780 F.3d 1223, 1226 (5th Cir. 1986)); *In re ASARCO, LLC*, 441 B.R. 813,

⁵ Further, under section 105(a) of the Bankruptcy Code, the Court “may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” Authorizing the Debtors to proceed with the Settlement falls squarely within the spirit of Bankruptcy Rule 9019, if not the letter, as well as the Bankruptcy Code’s predilection for compromise. Thus, to the extent necessary, section 105(a) relief is appropriate in this instance and would best harmonize the settlement processes contemplated by the Bankruptcy Code.

830 (Bankr. S.D. Tex. 2010) (finding business judgment standard to be appropriate standard for out of the ordinary course transaction under section 363(b)); *GBL Holding Co., Inc. v. Blackburn/Travis/Cole, Ltd. (In re State Park Bldg. Grp., Ltd.)*, 331 B.R. 251, 254 (Bankr. N.D. Tex. 2005) (stating debtor must “satisfy [its] fiduciary duty to the debtor, creditors, and equity holders, [by articulating some] business justification for using, selling, or leasing the property outside the ordinary course of business”) (quoting *Continental Air Lines, Inc.*, 780 F.2d at 1226). “Great judicial deference is given to the [debtor’s] exercise of business judgment.” *In re State Park Bldg. Grp.*, 331 B.R. at 254; *see also Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1309 (5th Cir. 1985) (“As long as [the decision] appears to enhance a debtor’s estate, court approval of a debtor-in-possession’s decision . . . should only be withheld if the debtor’s judgment is clearly erroneous, too speculative, or contrary to the provisions of the Bankruptcy Code.”).

20. Based on the foregoing considerations, the Debtors respectfully submit that the Settlement represents a fair and reasonable compromise that is in the best interest of the Debtors’ estates. Under the terms of the Settlement, the Debtors will be able to avoid the expense, delay, and distraction of further arbitration and litigation with Shell regarding the joint venture matters.

21. With respect to “the probability of success in litigating the claim subject to settlement,” the Debtors, after consulting with their counsel in relation to the arbitration, believe the risk of succeeding in the arbitration is inherently uncertain. Moreover, should the Debtors receive an unfavorable ruling from the arbitration panel, there would be no right of appeal, increasing the risk related to continuing to arbitrate the dispute with Shell. Further, even if the Debtors were successful, the value realized through the Debtors’ and their affiliates’

participation under the AMI prior to its expiration is highly uncertain and likely would require significant capital expenditures by the Debtors and their affiliates.

22. With respect to “the complexity and likely duration of litigation and any attendant expense, inconvenience, and delay,” continued litigation with Shell likely would be costly and may exceed the value of the Settlement. Because the arbitration only began in earnest in October 2017 when the arbitrators were finally appointed and an initial conference concluded, and due to the ensuing settlement discussions, the arbitration is still in an early stage. Continuing the arbitration proceeding likely would require significant time and expense to determine the full extent of the Debtors’ rights, if any, under the AMI and quantify any resulting damages to the Debtors. Shell has raised a number of defenses related to the AMI dispute including arguing that BG could not and did not bind non-signatory, future affiliates SWEPI and SOC to the AMI under Texas law and that the JDA can only be interpreted to bind affiliates that are controlled by a “Development Party” (as defined in the JDA). In light of the admission by SWEPI that it is an affiliate of BG post-acquisition and EXCO’s argument that SWEPI has independent duties under the JDA (which SWEPI disputes), the Debtors vigorously dispute said defenses.

23. The Settlement is also in the best interest of creditors. The Settlement will provide all parties with certainty regarding the resolution of the AMI dispute and will orderly wind up the joint venture by transferring the remaining 50 percent membership interest to the Debtors. The Settlement will provide the Debtors and their affiliates with substantial additional acreage and production in an area where the Debtors and their affiliates already have significant operations. In addition, the Settlement will increase the marketability of the Debtors’ and their affiliates’ assets. The Settlement thus maximizes value of the Debtors’ estates for all stakeholders by avoiding the expense of continued litigation, bringing final resolution of the

disputes between the Debtors and Shell, and enhancing the Debtors' and their affiliates' ability to market the Appalachia assets by increasing the asset package and eliminating the existing complex joint venture structure.

24. Finally, the Settlement arises out of arms-length bargaining between the Debtors and Shell. Counsel for the Debtors and counsel for Shell negotiated the terms of the Settlement following the commencement of arbitration proceedings in February 2017 and mediation in October 2017.

25. The terms of the Settlement are a reasonable compromise under the Debtors' business judgment. Further, if approved, the Settlement will avoid the expense, delay, and distraction of further litigation with Shell. Accordingly, the Debtors respectfully request that the Court authorize the Debtors to enter into and implement the terms of the Settlement as such action is a reasonable exercise of the Debtors' business judgment and in the best interest of their bankruptcy estates.

Waiver of Bankruptcy Rule 6004(a) and 6004(h)

26. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

Notice

27. The Debtors will provide notice of this motion to: (a) the Office of the U.S. Trustee for the Southern District of Texas; (b) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (c) the administrative agent under the Debtors' reserve-based revolving credit facility and counsel thereto; (d) the indenture trustee for the Debtors' 1.5 lien senior secured notes and counsel thereto; (e) the administrative agent and

collateral trustee under the Debtors' 1.75 lien term loan facility and counsel thereto; (f) administrative agent under the Debtors' second lien term loan facility and counsel thereto; (g) the indenture trustee for the Debtors' 2018 senior notes; (h) the indenture trustee for the Debtors' 2022 senior notes; (i) counsel to the first lien agent; (j) counsels to certain 1.5 lien noteholders and 1.75 lien lenders; (k) counsel to the ad hoc noteholders committee; (l) counsel to a single large noteholder; (m) the United States Attorney's Office for the Southern District of Texas; (n) the Internal Revenue Service; (o) the United States Securities and Exchange Commission; (p) the Environmental Protection Agency and similar state environmental agencies for states in which the Debtors conduct business; (q) the state attorneys general for states in which the Debtors conduct business; (r) Shell; and (s) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

No Prior Request

28. No prior request for the relief sought in this motion has been made to this or any other court.

[Remainder of page intentionally left blank]

WHEREFORE, the Debtors respectfully request that the Court enter the Order, granting the relief requested herein and such other relief as the Court deems appropriate under the circumstances.

Respectfully Submitted,

Dated: January 26, 2018

/s/ Christopher T. Greco

Christopher T. Greco (admitted *pro hac vice*)

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

601 Lexington Avenue

New York, New York 10022

Telephone: (212) 446-4800

Facsimile: (212) 446-4900

Email: christopher.greco@kirkland.com

- and -

Patrick J. Nash, Jr., P.C. (admitted *pro hac vice*)

Alexandra Schwarzman (admitted *pro hac vice*)

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

300 North LaSalle

Chicago, Illinois 60654

Telephone: (312) 862-2000

Facsimile: (312) 862-2200

Email: patrick.nash@kirkland.com

alexandra.schwarzman@kirkland.com

- and -

Marcus A. Helt (TX 24052187)

Telephone: (214) 999-4526

Facsimile: (214) 999-3526

Email: mhelt@gardere.com

Michael K. Riordan (TX: 24070502)

Telephone: (713) 276-5178

Facsimile: (713) 276-6178

Email: mriordan@gardere.com

GARDERE WYNNE SEWELL LLP

1000 Louisiana St., Suite 2000

Houston, Texas 77002

Proposed Counsel for the Debtors and Debtors in Possession

Certificate of Service

I certify that on January 26, 2018, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Christopher T. Greco

Christopher T. Greco

Exhibit A

Proposed Order

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

In re: EXCO RESOURCES, INC., <i>et al.</i> , ¹ <div style="text-align: right;">Debtors.</div>	§ § § § § § §	Chapter 11 Case No. 18-30155 (MI) (Jointly Administered) Re: Docket No. __
--	---------------------------------	--

**ORDER (I) AUTHORIZING AND
APPROVING THE SETTLEMENT BY AND AMONG DEBTORS
EXCO HOLDING (PA), INC., EXCO PRODUCTION COMPANY (PA), LLC, AND
EXCO PRODUCTION COMPANY (WV), LLC, AND NON-DEBTOR AFFILIATES
EXCO RESOURCES (PA), LLC AND EXCO APPALACHIA MIDSTREAM,
LLC, AND BG PRODUCTION COMPANY (PA), LLC, BG PRODUCTION
COMPANY (WV), LLC, AND SWEPI LP, AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), (a) approving the Settlement, by and among Debtors EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, and EXCO Production Company (WV), LLC, and non-Debtor affiliates EXCO Resources (PA), LLC and EXCO Appalachia Midstream, LLC, on the one hand, and BG Production Company (PA), LLC, BG Production Company (WV), LLC, and SWEPI LP (collectively, “Shell”), on the other hand, annexed hereto as **Exhibit 1** and (b) granting related relief, all as more fully set forth in the Motion; and this Court having jurisdiction over this matter

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: EXCO Resources, Inc. (2779); EXCO GP Partners Old, LP (1262); EXCO Holding (PA), Inc. (1745); EXCO Holding MLP, Inc. (1972); EXCO Land Company, LLC (9981); EXCO Midcontinent MLP, LLC (0557); EXCO Operating Company, LP (1261); EXCO Partners GP, LLC (1258); EXCO Partners OLP GP, LLC (1252); EXCO Production Company (PA), LLC (7701); EXCO Production Company (WV), LLC (7851); EXCO Resources (XA), LLC (7775); EXCO Services, Inc. (2747); Raider Marketing GP, LLC (6366); and Raider Marketing, LP (4295). The location of the Debtors’ service address is: 12377 Merit Drive, Suite 1700, Dallas, Texas 75251.

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

pursuant to 28 U.S.C. § 1334; and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. § 1408; and this Court having found that the relief requested in the Motion 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 Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion 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 Motion 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 Debtors are hereby authorized to enter into the Settlement with Shell.
2. The Debtors are authorized to enter into, perform, execute, and deliver all documents, and take all actions, necessary to immediately continue and fully implement the Settlement in accordance with the terms, conditions, and agreements set forth therein, all of which are hereby approved.
3. The Debtors' interests in the 36 leases conveyed to SWEPI pursuant to the terms of the Settlement are hereby ordered conveyed to SWEPI under section 363(f) of the Bankruptcy Code free and clear of any liens, mortgages, interests, and other encumbrances.
4. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

5. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

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

Dated: _____, 2018
Houston, Texas

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Settlement

AGREEMENT REGARDING SETTLEMENT

This AGREEMENT REGARDING SETTLEMENT (this “**Agreement**”) is made and entered into on January 29, 2018 (the “**Execution Date**”), by and among each of the signatories hereto (each, a “**Settlement Party**” and, collectively, the “**Settlement Parties**”).

RECITALS

WHEREAS, certain of the Settlement Parties are party to a joint venture regarding jointly-owned assets in the Appalachian area and desire to wind up such joint venture dealings and to settle certain claims relating thereto among certain of the Settlement Parties (the “**Settlement**”);

WHEREAS, the Settlement Parties have agreed to the terms and conditions of the Settlement as set forth in the Escrowed Transaction Documents (defined below); and

WHEREAS, on January 15, 2018, certain of the Settlement Parties, including EXCO Resources, Inc., a Texas corporation (“**EXCO Parent**”), and its applicable Affiliates (as defined in the Settlement Agreement, defined below) (collectively, the “**Bankruptcy Parties**”) filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”);

WHEREAS, the Settlement Parties have agreed that the Bankruptcy Parties shall file a motion (the “**9019 Motion**”) under Bankruptcy Rule 9019 seeking entry of an order (the “**9019 Order**”) approving the Settlement pursuant to the Escrowed Transaction Documents.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Settlement Parties hereby agree as follows:

1. Escrowed Transaction Documents. On the Execution Date, each Settlement Party has executed and acknowledged (where applicable) two counterparts (or, in the case of documents to be recorded, a sufficient number of counterparts to facilitate such recording) of each of the following documents to which such Settlement Party is a party (the “**Escrowed Transaction Documents**”), and has delivered such counterparts of the Escrowed Transaction Documents to the Houston office of Kirkland & Ellis LLP (“**KE**”) to be held in escrow:

(a) Settlement Agreement and Mutual Release, by and among EXCO Holding (PA), Inc., a Delaware corporation (“**EXCO**”), EXCO Production Company (PA), LLC, a Delaware limited liability company (“**EXCOPA**”), EXCO Production Company (WV), LLC, a Delaware limited liability company (“**EXCOWV**”), EXCO Resources (PA), LLC, a Delaware limited liability company (“**Operator**”), BG Production Company (PA), LLC, a Delaware limited liability company (“**BGPA**”), BG Production Company (WV), LLC, a Delaware limited liability company (“**BGWV**”) and SWEPI LP, a Delaware limited partnership (“**SWEPI**”), counterparts of which are attached hereto as Exhibit A (the “**Settlement Agreement**”);

(b) Membership Interest (ERPA) Transfer Agreement, by and among BG US Production Company, LLC, a Delaware limited liability company (“**BG**”), Operator and EXCO, counterparts of which are attached hereto as Exhibit B;

(c) Membership Interest (Midstream) Transfer Agreement, by and among BG, EXCO Appalachia Midstream, LLC, a Delaware limited liability company (“**Midstream**”) and EXCO, counterparts of which are attached hereto as Exhibit C;

(d) Membership Interest (BG PA) Transfer Agreement, by and between BG, BGPA and EXCOPA, counterparts of which are attached hereto as Exhibit D;

(e) Membership Interest (BG WV) Transfer Agreement, by and between BG, BGWV and EXCOWV, counterparts of which are attached hereto as Exhibit E;

(f) Assignment of EXCO Re-Assigned Leases, by and between EXCOPA and SWEPI, counterparts of which are attached hereto as Exhibit F (the “**Assignment**”); and

(g) Termination and Release Agreement, by and among BG, BG North America, LLC, a Delaware limited liability company, BGPA, BGWV, EXCO Parent, EXCO, Operator, EXCOPA, EXCOWV, EXCO Operating Company, LP, a Delaware limited partnership, and Midstream, counterparts of which are attached hereto as Exhibit G.

2. 9019 Order; Release of Escrowed Transaction Documents. Each of the Settlement Parties hereby instructs KE to hold the Escrowed Transaction Documents in escrow pending entry by the Bankruptcy Court of the 9019 Order. No later than three business days following entry of the 9019 Order, SWEPI shall cause the payment contemplated by paragraph B of the Settlement Agreement to be made. For the avoidance of doubt, SWEPI shall not be obligated to make such payment unless the 9019 Order explicitly releases any applicable liens, mortgages, security interests, or other encumbrances created by EXCO Parent or its Affiliates on the properties described in the Assignment. Upon confirmation of receipt of such payment (the date such payment is confirmed, the “**Closing Date**”), and with no further action required of any Settlement Party, (a) KE shall deliver (i) the Escrowed Transaction Documents to the applicable Settlement Parties and (ii) the 9019 Order to SWEPI for filing of record in the applicable counties to evidence the release any applicable mortgages and security interests created by EXCO Parent or its Affiliates on the properties described in the Assignment, and (b) the Escrowed Transaction Documents shall be deemed released and delivered by each applicable Settlement Party as of the Closing Date.

3. Termination; Effect of Termination. This Agreement shall automatically terminate, and no Settlement Party shall have any continuing obligation hereunder, in the event that (a) the Bankruptcy Parties have not filed the 9019 Motion, which motion shall in form and substance reasonably acceptable to the Settlement Parties, by January 31, 2018, or (b) the 9019 Order, which order shall be in form and substance unconditionally acceptable to the Settlement Parties, is not entered by the Bankruptcy Court on or before April 1, 2018. For the avoidance of doubt, any Settlement Party may terminate this Agreement if the 9019 Order entered by the Bankruptcy Code is not in a form and substance unconditionally acceptable to such Settlement Party. The Settlement Parties hereby direct KE, promptly following termination of this Agreement, to destroy all copies of executed signature pages to the Escrowed Transaction Documents.

4. *Miscellaneous.*

(a) This Agreement shall be binding upon and inure to the benefit of the Settlement Parties and their respective successors and permitted assigns. No Settlement Party may assign (by contract, operation of law or otherwise) either this Agreement or any of its rights, interests, or obligations hereunder without the express prior written consent of the other Settlement Parties, and any attempted assignment without such consent shall be null and void. The terms and provisions of this Agreement are intended solely for the benefit of the Settlement Parties and their respective successors or permitted assigns, and it is not the intention of the Settlement Parties to confer third-party beneficiary rights upon any other person.

(b) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any facsimile or other electronic copies hereof or signature hereon shall, for all purposes, be deemed originals.

(c) THIS AGREEMENT AND THE LEGAL RELATIONS AMONG THE SETTLEMENT PARTIES SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

[Signature pages follow.]

IN WITNESS WHEREOF, each of the Settlement Parties has executed this Agreement as of the Execution Date.

BG US PRODUCTION COMPANY, LLC

By: _____
Name: _____
Title: _____

BG PRODUCTION COMPANY (PA), LLC

By: _____
Name: _____
Title: _____

BG NORTH AMERICA, LLC

By: _____
Name: _____
Title: _____

BG PRODUCTION COMPANY (WV), LLC

By: _____
Name: _____
Title: _____

SWEPI LP

By: _____
Name: _____
Title: _____

EXCO RESOURCES, INC.

By: _____
Name: _____
Title: _____

EXCO RESOURCES (PA), LLC

By: _____
Name: _____
Title: _____

EXCO HOLDING (PA), INC.

By: _____
Name: _____
Title: _____

EXCO APPALACHIA MIDSTREAM, LLC

By: _____
Name: _____
Title: _____

EXCO OPERATING COMPANY, LP

By: EXCO Partners OLP GP, LLC, its general partner

By: _____
Name: _____
Title: _____

EXCO PRODUCTION COMPANY (PA), LLC

By: _____
Name: _____
Title: _____

EXCO PRODUCTION COMPANY (WV), LLC

By: _____
Name: _____
Title: _____

Acknowledged (solely as to its responsibilities hereunder)

KIRKLAND & ELLIS LLP

By: _____
Name: _____
Title: _____

EXHIBIT A

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release is made and entered into, as of the Closing Date (as defined below) but is effective as of the Effective Time, by and among (i) EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC, and EXCO Resources (PA), LLC (with EXCO Resources, Inc. and EXCO Appalachia Midstream, LLC being the beneficiary of the certain releases contained herein); (ii) BG Production Company (PA), LLC, and BG Production Company (WV), LLC; and (iii) SWEPI LP (with Royal Dutch Shell, PLC and Shell Oil Company being the beneficiaries of the certain releases contained herein).

DEFINITIONS

- a) “Agreement” means this Settlement Agreement and Mutual Release.
- b) “Affiliate” and “Affiliates” have the meaning given such terms in the ERPA MITA.
- c) “Closing Date” has the meaning set forth in that certain Agreement Regarding Settlement among the Parties and certain of their respective Affiliates.
- d) “Effective Time” means the effective time of this Agreement, which shall be as of 11:58 p.m. on November 30, 2017.
- e) “Execution Date” has the meaning set forth in the preamble.
- f) “EXCO” means EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC, and EXCO Resources (PA), LLC, the Plaintiffs in the Lawsuit and the Claimants in the Arbitration.
- g) “BG Entities” means BG Production Company (PA), LLC and BG Production Company (WV), LLC, the Respondents in the Arbitration.
- h) “SWEPI” means SWEPI LP, a Defendant in the Lawsuit and an objecting Respondent in the Arbitration.
- i) “Royal Dutch Shell” means Royal Dutch Shell, PLC, a Defendant in the Lawsuit and an objecting Respondent in the Arbitration.
- j) “Shell Oil Company” means Shell Oil Company, a Defendant in the Lawsuit.
- k) “Parties” means EXCO, the BG Entities, and SWEPI.

- l) “Arbitration” means the American Arbitration Association arbitration styled as EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC, and EXCO Resources (PA), LLC v. Royal Dutch Shell, PLC, SWEPI LP, BG Production Company (PA), LLC, and BG Production Company (WV), LLC, Case Number: 01-17-0001-5434.
- m) “Lawsuit” means the suit styled as EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC and EXCO Resources (PA), LLC v. Royal Dutch Shell, PLC, Shell Oil Company, and SWEPI LP, Cause Number: 2017-53479, in the 164th Judicial District Court of Harris County, Texas.
- n) “JDA” means the Joint Development Agreement by and among EXCO and the BG Entities, dated June 1, 2010, as the same may heretofore been amended.
- o) “AMI” means the Area of Mutual Interest provision located at Section 9 of the JDA.
- p) “AMI Area” has the meaning given such term in the JDA.
- q) “Oil and Gas Assets” has the meaning given such term in the JDA.
- r) “Occurrence” means the set of facts, transactions, acts, omissions, and events alleged, proven, and/or otherwise related to EXCO’s and the BG Entities’ joint development activities in the AMI Area, the JDA, the Arbitration, and/or the Lawsuit.
- s) “Dispute” means all actual and potential disputes, claims, controversies, and causes of action that arise out of or relate, directly or indirectly, to the Occurrence, to the Arbitration, and/or to the Lawsuit.
- t) “ERPA MITA” means the Membership Interest (ERPA) Transfer Agreement attached hereto as **Exhibit A-1**.
- u) “Appalachia Midstream MITA” means the Membership Interest (Midstream) Transfer Agreement attached hereto as **Exhibit A-2**.
- v) “BGPA MITA” means the Membership Interest (BG PA) Transfer Agreement attached hereto as **Exhibit A-3**.
- w) “BGWV MITA” means the Membership Interest (BG WV) Transfer Agreement attached hereto as **Exhibit A-4**.
- x) “Released Claims” means all existing, future, known, and unknown claims, demands, and causes of action, for all existing, future, known, and unknown damages and remedies (1) that arise out of or relate, directly or indirectly, to EXCO’s and the BG Entities’ joint development activities in the AMI Area, the JDA, the Occurrence, the Dispute, the Arbitration, and/or the Lawsuit; or (2) that have been brought or that could have been brought by or on behalf of the Parties in the Arbitration or the Lawsuit, based on acts, omissions, or other conduct relating to the JDA, the Occurrence, the Dispute, the Arbitration, and/or the Lawsuit. Under this definition, “Released Claims” includes, but is

not limited to, all claims, demands, lawsuits, debts, accounts, covenants, agreements, actions, cross-actions, liabilities, obligations, implied obligations, losses, costs, expenses, remedies, and causes of action of any nature, whether in contract, tort or any other legal theory, or based upon fraud or misrepresentation, breach of duty or common law, or arising under or by virtue of any judicial decision, statute, or regulation, for past, present, future, known, and unknown injuries, property or economic damage, and all other losses and damages of any kind, including but not limited to the following: all actual damages; all exemplary and punitive damages; all penalties of any kind; damage to business reputation; lost profits or good will; consequential damages; damages ensuing from loss of credit; and prejudgment and post-judgment interest, costs, and attorney's fees. This definition further includes, but is not limited to, all elements of damages, all remedies, and all claims, demands, and causes of action that are now recognized by law or that may be created or recognized in the future by any manner, including, without limitation, by statute, regulation, or judicial decision. Without limiting the above definition, "Released Claims" further includes any future claims for indemnity whether the underlying claim requiring indemnity is known or unknown by the Parties as of the Effective Time. Notwithstanding anything herein to the contrary, "Released Claims" DO NOT INCLUDE (i) any breaches of this Agreement or any of the Operative Documents, (ii) any claims under the Operative Documents by any Party or its Affiliates and/or (iii) any claims by any Party or its Affiliates with respect to matters relating to assets lying outside the AMI Area. THE RELEASES AS SET FORTH HEREIN ARE SPECIFICALLY INTENDED TO OPERATE AND TO BE APPLICABLE EVEN IF IT IS ALLEGED, CHARGED, OR PROVED THAT ALL OR SOME OF THE CLAIMS OR DAMAGES RELEASED WERE CAUSED AS A WHOLE OR IN PART BY ANY ACT, OMISSION, NEGLIGENCE, GROSS NEGLIGENCE, BREACH OF CONTRACT, INTENTIONAL CONDUCT, VIOLATION OF STATUTE OR COMMON LAW, BREACH OF WARRANTY (EXPRESS OR IMPLIED), PRODUCT DEFECT, STRICT LIABILITY, OR ANY OTHER CONDUCT WHATSOEVER OF THE RELEASED PERSONS AND ENTITIES.

- y) "EXCO Reassignment" means the Assignment of EXCO Re-Assigned Leases attached hereto as **Exhibit B**.
- z) "Termination Agreement" means the Termination Agreement attached hereto as **Exhibit C**.
- aa) "Operative Documents" means the ERPA MITA, the Appalachia Midstream MITA, the BGPA MITA, the BGWV MITA, the EXCO Reassignment and the Termination Agreement.
- bb) "Law" has the meaning given such term in the ERPA MITA.

RECITALS

1. EXCO filed its Demand for Arbitration and Statement of Claim in the Arbitration, alleging breach of contract, tortious interference with existing contract, and unjust enrichment, as well as seeking an accounting and declaratory relief.

2. Royal Dutch Shell and SWEPI filed their Objection to Jurisdiction in the Arbitration, which prompted EXCO to initiate the Lawsuit by filing its Original Petition and Motion to Compel.

3. On Thursday, October 26, 2017, the Parties participated in a mediation. While a full settlement was not reached, the Parties did execute a Confidential Settlement Procedure Protocol.

4. The Parties now wish to wind-up all joint venture dealings among the Parties and their Affiliates in the Appalachian area, and to settle both the Lawsuit and the Arbitration, without further cost or expense. Accordingly, as set forth herein and subject to the terms hereof, the Parties (on their own behalf and on behalf of their respective Affiliates) have agreed to compromise and resolve the Lawsuit, the Arbitration, and all other current or potential disputes between them regarding the Oil and Gas Assets in the AMI Area, as those terms are defined in the JDA.

AGREEMENTS

NOW, THEREFORE, for and in consideration of the mutual promises, releases, and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged and confessed, the Parties agree as follows:

A. To effectuate the Parties' agreement regarding the settlement of the Arbitration and the Lawsuit, the Parties agree, as of the Closing Date, to deliver (or cause to be delivered)

executed counterparts of (i) the ERPA MITA, (ii) the Appalachia Midstream MITA, (iii) the BGPA MITA, (iv) the BGWV MITA (collectively, the “Settlement MITAs”), and (v) the Termination Agreement. The Parties will (or will cause their applicable respective Affiliates to) consummate the transactions contemplated by the Settlement MITAs.

B. EXCO (or its applicable Affiliate) shall reconvey to SWEPI any interest it owns in the 36 leases made the subject of SWEPI’s September 1, 2016, offer letter. Such leases shall be reconveyed to SWEPI free and clear of any liens, mortgages, interest, or other encumbrances under 11 U.S.C. § 363(f), or, in the alternative, EXCO will provide SWEPI with executed releases from EXCO’s creditors for all liens, mortgages, security interests, or other encumbrances that have been placed on such leases being reconveyed to SWEPI. To effectuate this reconveyance, EXCO (or its applicable Affiliate) and SWEPI shall deliver (or cause to be delivered) the EXCO Reassignment as of the Closing Date. As consideration for the EXCO Reassignment, on the Closing Date after the other conditions in this paragraph are met, SWEPI shall pay Six Hundred Fifty Seven Thousand Dollars and Zero Cents (\$657,000.00) to EXCO Production Company (PA), LLC.

C. Within five (5) days of the Closing Date, EXCO will file the Motions to Dismiss and accompanying Orders attached hereto as **Exhibit D-1** and **Exhibit D-2**, which Motions request dismissal with prejudice of the Lawsuit and the Arbitration, respectively.

D. The Parties understand and agree that their agreement to resolve the Dispute, Arbitration, and Lawsuit as set forth herein is not an admission of liability, which is expressly denied, but is being done in order to avoid further time and costs referable to the Lawsuit and the Arbitration. Neither the execution of this Agreement or anything stated herein, nor any amount paid hereunder, is to be construed as or deemed an admission of liability, culpability, or wrongdoing by any Party.

SWEPI does not in any manner concede that: (1) it was or is bound by the terms of the JDA and/or the AMI; or (2) it agrees with EXCO's position with respect to whether Royal Dutch Shell, Shell Oil Company, and/or SWEPI are bound by the JDA and/or the AMI.

E. Each of the Parties acknowledges that it or its Affiliates may hereafter discover facts different from, or in addition to, those that it now knows or believes to be true with respect to the disputes alleged in the Litigation and Arbitration, and agree that this Agreement and the releases contained herein shall be and remain effective in all respects, notwithstanding such different or additional facts and the subsequent discovery thereof.

F. Each of the Parties acknowledges its waiver (including its waiver on behalf of any of its Affiliates) of any consent to assignment, transfer restriction, or preferential rights that it or its Affiliates may hold that may otherwise be triggered by this Agreement or the Operative Documents.

G. The Parties understand and agree that all existing contracts and contractual obligations between EXCO and the BG Entities respecting the AMI Area, including, but not limited to, the JDA, the parent company guarantee attached to the JDA and executed by BG North America, LLC in favor of EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC, EXCO Holding (PA), Inc., and EXCO Resources (PA), LLC, and all other related agreements corresponding to such upstream and midstream activities with respect to the AMI Area, will be terminated pursuant to the Termination Agreement. Incident to the termination of the contracts and contractual obligations as set forth herein, EXCO agrees to waive the BG Entities' and their Affiliates' accounts receivable in the amount of \$2,569,899.00 that was owed to EXCO Resources (PA), LLC as of the Effective Time in return for the release by the BG Entities and their Affiliates of the right to their proportionate share of the capital in

said entity that existed as of the Effective Time, being an amount of \$7,199,517.00, which such capital amount shall be retained by EXCO Resources (PA), LLC. In addition, the Parties accept and agree that, with the exception of (i) the asset reconveyance expressly referenced in this Agreement, and (ii) the \$657,000.00 payment by SWEPI to EXCO Production Company (PA), LLC described in paragraph B above, and without waiving any rights of the Parties and their Affiliates under the Operative Documents (including for any breach thereof), no other compensation, accounting adjustments, or working capital adjustments, of any kind or nature, will be due or payable by either party to the other with regard to this settlement. For the avoidance of doubt, in the event of conflict between the terms and provisions of this Agreement and the Termination Agreement, the terms and provisions in the Termination Agreement will control.

H. Releases:

- (a) The Parties agree that each Party shall bear its own attorneys' fees, costs of court, and other expenses that arise out of or relate to the Dispute, the Arbitration, the Lawsuit, and/or the negotiation, drafting, and execution of this Agreement.
- (b) EXCO's Released Claims. EXCO hereby WAIVES, RELEASES, ACQUITS, AND FOREVER DISCHARGES the BG Entities, Royal Dutch Shell, Shell Oil Company, and SWEPI, all of their affiliated companies and entities, and each of their respective present and former administrators, agents, representatives, officers, directors, employees, owners, shareholders, members, parent entities, partners, subsidiaries, assigns, predecessors-in-business or interest, and other successor and related companies, of and from the Released Claims.
- (c) The BG Entities' Released Claims. The BG Entities hereby WAIVE, RELEASE, ACQUIT, AND FOREVER DISCHARGE EXCO, EXCO Appalachia Midstream, LLC and EXCO Resources, Inc., all of EXCO's affiliated companies and entities, and EXCO's present and former administrators, agents, representatives, officers, directors, employees, owners, shareholders, members, parent entities, partners, subsidiaries, assigns, predecessors-in-business or interest, and other successor and related companies, of and from the Released Claims.

- (d) SWEPI's Released Claims. SWEPI hereby WAIVES, RELEASES, ACQUITS, AND FOREVER DISCHARGES EXCO, EXCO Appalachia Midstream, LLC and EXCO Resources, Inc., all of EXCO's affiliated companies and entities, and EXCO's present and former administrators, agents, representatives, officers, directors, employees, owners, shareholders, members, parent entities, partners, subsidiaries, assigns, predecessors-in-business or interest, and other successor and related companies, of and from the Released Claims.

I. Representations and Warranties. In consideration for the agreements contained herein, each of the Parties expressly warrants and represents the following:

- (i) this Agreement constitutes a legal, valid, and binding obligation of each Party and is enforceable against each Party in accordance with its terms;
- (ii) it has not assigned, pledged, or otherwise transferred any Released Claim or any cause of action it has or may have against another Party with respect to the JDA, the Occurrence, the Dispute, the Arbitration, or the Lawsuit;
- (iii) it has the power and authority to enter into this Agreement and to perform its obligations;
- (iv) it has carefully read and fully understands all of the provisions and effects of this Agreement, and has thoroughly discussed all aspects of this Agreement with its attorneys of record;
- (v) it is voluntarily entering into this Agreement and has relied solely and completely upon its own judgment, the promises made herein, and the advice of its attorneys in deciding to enter into this Agreement;
- (vi) no other representations have been made concerning the terms or effects of this Agreement other than those expressly contained herein or in the Operative Documents;
- (vii) it is entering into this Agreement with full and complete knowledge of its contents and the effects thereof, solely motivated by its own free will and accord, and there are no inducements to enter into this Agreement except as expressly stated in this Agreement;
- (viii) the person signing this Agreement is fully authorized and legally competent to execute this Agreement on behalf of the Party for which he or she is signing, and has full authority to bind that Party to the terms and conditions set forth in this Agreement;
- (ix) it has executed all documents, or undertaken all actions necessary, to authorize it to enter into this Agreement, and the other Parties may rely

upon any statements and representations made herein with respect to such authorizations;

- (x) the releases provided herein shall include any claims based on allegations of inaccurate representations or omissions of any type by any other person or entity (other than any representation contained herein or in the Operative Document made by a Party or any of its Affiliates), including claims of fraudulent inducement into this Agreement, to the full extent permitted by *Schlumberger Tech. Corp. v. Swanson*, 959 S.W.2d 171 (Tex. 1997) and *Forest Oil Corp. v. McAllen*, 268 S.W.3d 51 (Tex. 2008). Each of the Parties agree that: (A) it is knowledgeable in business matters; (B) each and every term of this Agreement was negotiated between highly skilled counsel for the Parties to this Agreement, who dealt with one another at arm's length at all times; and (C) it has not relied on any representations by the other Party or its representatives in entering into this Agreement other than those contained herein or in the Operative Documents; and
- (xi) it will cooperate fully to execute any and all supplementary or additional documents required to effectuate the agreements set forth herein, and to take all additional actions that may be necessary or appropriate to give full effect to the terms and conditions of this Agreement.

J. No Oral Modification or Waiver. No provision of this Agreement may be changed, altered, modified or waived, except in writing signed by each of the Parties, and the Parties waive any common law, statutory, or other right they may otherwise have to modify or waive, by agreement or conduct, any part or all of this Agreement. No waiver of default of any term of this Agreement shall be deemed a waiver of any subsequent breach or default of any other provision.

K. Choice of Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, excluding any choice of law rules or conflicts of law principles that would refer the matter to the substantive laws of another jurisdiction.

L. Confidentiality. No Party shall (and each shall cause its Affiliates not to) issue any press release or make any statement to the general public relating to the subject matter of this Agreement unless such Party has first consulted with the other Parties and obtained the other

Parties' prior written approval of the text thereof; *provided, however*, that nothing herein shall prevent a Party from publishing such press releases or other statement to the general public as is necessary to satisfy such Party's obligations at Law or under the applicable rules of any stock or commodities exchange or any court after consultation with the other Parties and such other Parties' reasonable review and comment. Any Party may otherwise disclose the fact that the Lawsuit has been settled and may file the Motion to Dismiss without violating this confidentiality provision. While any Party may disclose the fact that this dispute has been settled without violating this confidentiality provision, no Party shall state, suggest, or imply that this confidentiality provision, or any other provision of this Agreement, was requested by any other Party as a condition to settlement. Notwithstanding the foregoing, the Parties acknowledge that a form of this Agreement (either executed or unexecuted) may be filed in the Bankruptcy Court in connection with the Motion to Approve.

M. Forum Selection. The Parties agree that any legal action commenced by any of the Parties or any dispute that arises out of, relates to, or is in any way connected with this Agreement, including, but not limited to, any action to obtain implementation, interpretation, or enforcement of this Agreement, or any action challenging the existence, validity, or enforceability of this Agreement, shall be brought in the district courts of Houston, Harris County, Texas. The Parties hereby waive any objection on the grounds of jurisdiction, venue, forum non-conveniens, or any similar grounds and consent to the jurisdiction of the district courts located in Houston, Harris County, Texas. The prevailing party in said legal action shall be entitled to recover its reasonable attorneys' fees, expert fees, and costs.

N. Joint Drafting. This Agreement has been prepared by the joint efforts of the respective attorneys for each of the Parties, and further, the Parties acknowledge that they have

had this Agreement reviewed by lawyers of their own choosing and have relied upon their own counsels' explanation and advice in entering into the same.

O. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, unenforceable, or contrary to public policy or any law, the remaining provisions of this Agreement shall nevertheless survive and continue in full force and effect without being impaired or invalidated in any way. If any provision, term, or clause of this Agreement is so severed, there shall be added in its place a provision as similar in terms to such illegal or unenforceable provision as may be possible, legal, valid, and enforceable. The Parties agree that the court can and should enforce this Agreement to the maximum extent allowed by law.

P. Entire Agreement. This Agreement and its attached exhibits (including the Operative Documents) reflect the entire agreement between the Parties and their respective Affiliates with regard to the subject matter of the Agreement. There are no other agreements or understandings between the Parties (or their respective Affiliates), either written or oral, with regard to the subject matter hereof, and the execution of this Agreement supersedes and cancels any earlier representations, negotiations, understandings, or agreements between the Parties regarding the subject matter of this Agreement. This Agreement cannot be modified, amended, changed, or terminated orally. No waiver of any of the terms of this Agreement shall be valid unless in writing and signed by the waiving party.

Q. Multiple Originals. It is understood and agreed that this Agreement may be executed in counterparts, each of which shall be deemed an original for all purposes, and that the signature pages may be facsimiles or electronically-transmitted copies.

R. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, and assigns.

S. Headings. Headings used in this Agreement are only for convenience of reference and shall not be used to define the meaning of any provision.

[remainder of this page is intentionally blank]

AGREED TO BY:

EXCO Holding (PA), Inc.

By: _____

Name: Harold L. Hickey

Title: Chief Executive Officer & President

EXCO Production Company (PA), LLC

By: _____

Name: Harold L. Hickey

Title: Chief Executive Officer & President

EXCO Production Company (WV), LLC

By: _____

Name: Harold L. Hickey

Title: Chief Executive Officer & President

EXCO Resources (PA), LLC

By: _____

Name: Harold L. Hickey

Title: President & Chief Executive Officer

BG Production Company (PA), LLC

By: _____

Name: _____

Title: _____

BG Production Company (WV), LLC

By: _____

Name: _____

Title: _____

SWEPI LP

By: _____

Name: _____

Title: _____

Name: Harold L. Hickey

Title: Chief Executive Officer & President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Harold L. Hickey of EXCO Holding (PA), Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

TO CERTIFY WHICH WITNESS MY HAND AND SEAL OF OFFICE this ____ day of January, 2018.

Notary Public in and for the
STATE OF TEXAS

[NOTARY SEAL]

Name: Harold L. Hickey

Title: Chief Executive Officer & President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Harold L. Hickey of EXCO Production Company (PA), LLC, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

TO CERTIFY WHICH WITNESS MY HAND AND SEAL OF OFFICE this ____ day of January, 2018.

Notary Public in and for the
STATE OF TEXAS

[NOTARY SEAL]

Name: Harold L. Hickey

Title: Chief Executive Officer & President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Harold L. Hickey of EXCO Production Company (WV), LLC, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

TO CERTIFY WHICH WITNESS MY HAND AND SEAL OF OFFICE this ____ day of January, 2018.

Notary Public in and for the
STATE OF TEXAS

[NOTARY SEAL]

Name: Harold L. Hickey

Title: President & Chief Executive Officer

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Harold L. Hickey of EXCO Resources (PA), LLC, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

TO CERTIFY WHICH WITNESS MY HAND AND SEAL OF OFFICE this ____ day of January, 2018.

Notary Public in and for the
STATE OF TEXAS

[NOTARY SEAL]

Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared _____ of BG Production Company (PA) LLC, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

TO CERTIFY WHICH WITNESS MY HAND AND SEAL OF OFFICE this ____ day of January, 2018.

Notary Public in and for the
STATE OF TEXAS

[NOTARY SEAL]

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared _____ of BG Production Company (WV) LLC, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

TO CERTIFY WHICH WITNESS MY HAND AND SEAL OF OFFICE this ____ day of January, 2018.

Notary Public in and for the
STATE OF TEXAS

[NOTARY SEAL]

Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared _____ of SWEPI LP, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

TO CERTIFY WHICH WITNESS MY HAND AND SEAL OF OFFICE this ____ day of January, 2018.

Notary Public in and for the
STATE OF TEXAS

[NOTARY SEAL]

EXHIBIT A-1

MEMBERSHIP INTEREST (ERPA) TRANSFER AGREEMENT

See Attached.

EXHIBIT A-2

MEMBERSHIP INTEREST (MIDSTREAM) TRANSFER AGREEMENT

See Attached.

EXHIBIT A-3

MEMBERSHIP INTEREST (BG PA) TRANSFER AGREEMENT

See Attached.

EXHIBIT A-4

MEMBERSHIP INTEREST (BG WV) TRANSFER AGREEMENT

See Attached.

EXHIBIT B

ASSIGNMENT OF EXCO RE-ASSIGNED LEASES

See Attached.

EXHIBIT C

TERMINATION AND RELEASE AGREEMENT

See Attached.

EXHIBIT D-1

MOTION TO DISMISS AND ORDER

AMERICAN ARBITRATION ASSOCIATION

EXCO HOLDING (PA), INC., §
EXCO PRODUCTION COMPANY (PA), LLC, §
EXCO PRODUCTION COMPANY (WV), LLC, §
AND §
EXCO RESOURCES (PA), LLC §

Claimants, §

V. §

AAA No. 01-17-0001-5434

ROYAL DUTCH SHELL, PLC, SWEPI, LP, §
BG PRODUCTION COMPANY (PA), LLC, §
AND §
BG PRODUCTION COMPANY (WV), LLC §

Case Manager: Yanett Quiroz, L.L.M.

Respondents. §

CLAIMANTS' MOTION TO DISMISS WITH PREJUDICE

TO THE HONORABLE JUDGE OF SAID COURT:

Claimants, EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC, and EXCO Resources (PA), LLC's (collectively, "EXCO"), hereby move the Panel for an order dismissing all claims and causes of action asserted against Respondents, Royal Dutch Shell, PLC, SWEPI, LP, BG Production Company (PA), LLC and BG Production Company (Wv), llc (collectively, "Respondents"), with prejudice to re-filing the same, for the reason that all matters of fact and things in controversy between EXCO and Respondents have been fully and finally compromised and settled.

WHEREFORE, EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC, and EXCO Resources (PA), LLC respectfully request that the Panel enter an order dismissing its claims against Royal Dutch Shell, PLC, SWEPI, LP, BG Production Company (PA), LLC and BG Production Company (WV), LLC with prejudice, with each party to bear its own arbitration costs and attorneys' fees.

Respectfully submitted,

GARDERE WYNNE SEWELL LLP

By: /s/ Geoffrey H. Bracken

Geoffrey H. Bracken
State Bar No. 02809750
Rhonda Reed Weiner
State Bar No. 24047732
Vi T. Tran
State Bar No. 24098674
1000 Louisiana, Suite 2000
Houston, Texas 77002-5011
Telephone: 713.276.5500
Facsimile: 713.276.5555

ATTORNEYS FOR CLAIMANTS,
EXCO HOLDING (PA), INC., EXCO
PRODUCTION COMPANY (PA), LLC,
EXCO PRODUCTION COMPANY (WV), LLC
AND EXCO RESOURCES (PA), LLC

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing document was served upon the following counsel in compliance with the Texas Rules of Civil Procedure on this 4th day of December, 2017:

William D. Wood
william.wood@nortonrosefulbright.com
Lauren W Varnado
lauren.varnado@nortonrosefulbright.com
Christian Menefee
christian.menefee@nortonrosefulbright.com
1301 McKinney, Suite 5100
Houston, TX 77010-3095
Telephone: (713) 651-5151
Fax: (713) 651-5246

/s/ Geoffrey H. Bracken
Geoffrey H. Bracken

AMERICAN ARBITRATION ASSOCIATION

EXCO HOLDING (PA), INC.,	§	
EXCO PRODUCTION COMPANY (PA), LLC,	§	
EXCO PRODUCTION COMPANY (WV), LLC,	§	
AND	§	
EXCO RESOURCES (PA), LLC	§	
	§	
Claimants,	§	
	§	
V.	§	AAA No. 01-17-0001-5434
	§	
ROYAL DUTCH SHELL, PLC, SWEPI, LP,	§	
BG PRODUCTION COMPANY (PA), LLC,	§	
AND	§	
BG PRODUCTION COMPANY (WV), LLC	§	Case Manager: Yanett Quiroz, L.L.M.
	§	
Respondents.	§	

ORDER OF DISMISSAL

BE IT REMEMBERED that on this day came on to be heard Claimants' Motion to Dismiss with prejudice, seeking dismissal with prejudice of the claims and causes of action asserted herein against Respondents. The Panel is of the opinion and finds that all matters in dispute between these two parties have been fully and finally compromised and settled.

It is, therefore, ORDERED that all claims and causes of action asserted by Claimants against Royal Dutch Shell, PLC, SWEPI, LP, BG Production Company (PA) LLC and BG Production Company (WV), LLC in this arbitration be, and the same are, hereby dismissed with prejudice to the refiling of the same. All costs of this arbitration and attorneys' fees shall be borne by the party previously incurring the same.

SIGNED this ____ day of _____, 2017.

HON. BUD ARNOT

EXHIBIT D-2

MOTION TO DISMISS AND ORDER

CAUSE NO. 2017-53479

EXCO HOLDING (PA), INC.,	§	IN THE DISTRICT COURT OF
EXCO PRODUCTION COMPANY (PA), LLC,	§	
EXCO PRODUCTION COMPANY (WV), LLC,	§	
AND	§	
EXCO RESOURCES (PA), LLC	§	
	§	
Plaintiffs,	§	
	§	HARRIS COUNTY, TEXAS
V.	§	
	§	
ROYAL DUTCH SHELL, PLC, SHELL	§	
OIL COMPANY, AND SWEPI, LP,	§	
	§	
Defendants.	§	164th JUDICIAL DISTRICT

PLAINTIFFS' MOTION TO DISMISS WITH PREJUDICE

TO THE HONORABLE JUDGE OF SAID COURT:

Plaintiffs, EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC, and EXCO Resources (PA), LLC's (collectively "EXCO"), hereby move the Court for an order dismissing all claims and causes of action asserted against Defendants, Shell Oil Company and SWEPI, LP (collectively "SWEPI"), with prejudice to re-filing the same, for the reason that all matters of fact and things in controversy between EXCO and SWEPI have been fully and finally compromised and settled.

WHEREFORE, EXCO Holding (PA), Inc., EXCO Production Company (PA), LLC, EXCO Production Company (WV), LLC, and EXCO Resources (PA), LLC respectfully request that the Court enter an order dismissing its claims against Shell Oil Company and SWEPI, LP with prejudice, with each party to bear its own costs and attorneys' fees.

Respectfully submitted,

GARDERE WYNNE SEWELL LLP

By: /s/ Geoffrey H. Bracken

Geoffrey H. Bracken
State Bar No. 02809750
Rhonda Reed Weiner
State Bar No. 24047732
Vi T. Tran
State Bar No. 24098674
1000 Louisiana, Suite 2000
Houston, Texas 77002-5011
Telephone: 713.276.5500
Facsimile: 713.276.5555

ATTORNEYS FOR PLAINTIFFS,
EXCO HOLDING (PA), INC., EXCO
PRODUCTION COMPANY (PA), LLC,
EXCO PRODUCTION COMPANY (WV), LLC
AND EXCO RESOURCES (PA), LLC

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing document was served upon the following counsel in compliance with the Texas Rules of Civil Procedure on this 4th day of December, 2017:

William D. Wood
william.wood@nortonrosefulbright.com
Lauren W Varnado
lauren.varnado@nortonrosefulbright.com
Christian Menefee
christian.menefee@nortonrosefulbright.com
1301 McKinney, Suite 5100
Houston, TX 77010-3095
Telephone: (713) 651-5151
Fax: (713) 651-5246

/s/ Geoffrey H. Bracken
Geoffrey H. Bracken

CAUSE NO. 2017-53479

EXCO HOLDING (PA), INC.,	§	IN THE DISTRICT COURT OF
EXCO PRODUCTION COMPANY (PA), LLC,	§	
EXCO PRODUCTION COMPANY (WV), LLC,	§	
AND	§	
EXCO RESOURCES (PA), LLC	§	
	§	
Plaintiffs,	§	
	§	HARRIS COUNTY, TEXAS
V.	§	
	§	
ROYAL DUTCH SHELL, PLC, SHELL	§	
OIL COMPANY, AND SWEPI, LP,	§	
	§	
Defendants.	§	164th JUDICIAL DISTRICT

ORDER OF DISMISSAL

BE IT REMEMBERED that on this day came on to be heard Plaintiffs' Motion to Dismiss with prejudice, seeking dismissal with prejudice of the claims and causes of action asserted herein against Defendants. The Court is of the opinion and finds that all matters in dispute between these two parties have been fully and finally compromised and settled.

It is, therefore, ORDERED that all claims and causes of action asserted by Plaintiffs against Shell Oil Company and SWEPI, LP in this suit be, and the same are, hereby dismissed with prejudice to the refiling of the same. All costs of court and attorneys' fees shall be borne by the party previously incurring the same.

SIGNED this ____ day of _____, 2017.

JUDGE PRESIDING

APPROVED AS TO FORM AND SUBSTANCE:

GARDERE WYNNE SEWELL LLP

By: /s/ Geoffrey H. Bracken

Geoffrey H. Bracken

State Bar No. 02809750

Rhonda Reed Weiner

State Bar No. 24047732

Vi T. Tran

State Bar No. 24098674

1000 Louisiana, Suite 2000

Houston, Texas 77002-5011

Telephone: 713.276.5500

Facsimile: 713.276.5555

ATTORNEYS FOR PLAINTIFFS,
EXCO HOLDING (PA), INC.,
EXCO PRODUCTION COMPANY (PA), LLC,
EXCO PRODUCTION COMPANY (WV), LLC
AND EXCO RESOURCES (PA), LLC

EXHIBIT B

MEMBERSHIP INTEREST (ERPA) TRANSFER AGREEMENT

MEMBERSHIP INTEREST (ERPA) TRANSFER AGREEMENT

THIS MEMBERSHIP INTEREST (ERPA) TRANSFER AGREEMENT (this “Agreement”) is entered into as of the Closing Date (as defined below), but is effective for all purposes as of 11:57 p.m. on November 30, 2017 (the “Effective Time”), by and among BG US Production Company, LLC, a Delaware limited liability company (“Seller”), EXCO Resources (PA), LLC, a Delaware limited liability company (“Company”), and EXCO Holding (PA), Inc., a Delaware corporation (“Purchaser”). Each of Seller, Company and Purchaser may be referred to as a “Party” or together, as the “Parties.” Capitalized terms not otherwise defined herein, including in Section 14, shall have the meanings attributed to them in the Second Amended and Restated Limited Liability Company Agreement, dated June 1, 2010, of Company (as amended from time to time, including an amendment on October 14, 2014, the “Operating Agreement”).

RECITALS

WHEREAS, Seller is a member in Company;

WHEREAS, the business and affairs of Company are governed by the Operating Agreement;

WHEREAS, Seller owns 50% of the issued and outstanding membership interest in Company (the “Membership Interests”);

WHEREAS, Purchaser, certain Affiliates of Purchaser, Company, and certain Affiliates of Seller are entering or have entered into that certain Settlement Agreement and Mutual Release, dated as of the Closing Date (the “Settlement Agreement”); and

WHEREAS, in accordance with the Settlement Agreement, Seller will sell and Purchaser will purchase all of Seller’s right, title, and interest in and to all of the Membership Interests upon the terms and subject to the conditions set forth herein in return for the consideration specified herein.

NOW, THEREFORE, in consideration of the mutual representations, covenants and agreements contained herein and in the Settlement Agreement and other good and valuable consideration set forth herein and in the Settlement Agreement, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties to this Agreement hereby agree as follows:

1. Transfer and Assignment. Subject to all of the terms of this Agreement, Seller shall transfer the Membership Interests in Company to Purchaser effective as of the Effective Time.
2. Assignment and Assumption; Agreement to be Bound; No Longer Member. For and in consideration of agreed value, the receipt and sufficiency of which is hereby acknowledged, Seller hereby sells, conveys, assigns, transfers and delivers to Purchaser, free and clear of all Encumbrances, all of its right, title and interest in and to the Membership Interests, and Purchaser hereby takes and accepts such assignment and transfer, in each case, effective as of the Effective Time (the “Transfer”). PURCHASER HEREBY AGREES TO ASSUME, ACCEPT AND TIMELY PERFORM AND DISCHARGE ANY AND ALL OF THE DUTIES,

COVENANTS, LIABILITIES AND OTHER OBLIGATIONS OF SELLER UNDER THE OPERATING AGREEMENT, WHETHER ARISING BEFORE OR AFTER THE EFFECTIVE TIME. SELLER AND ITS AFFILIATES SHALL BE RELEASED FROM ALL OF ITS RESPECTIVE OBLIGATIONS UNDER THE OPERATING AGREEMENT WHETHER ARISING BEFORE OR AFTER THE EFFECTIVE TIME, AND AS A RESULT OF SUCH RELEASE OF SELLER BY PURCHASER AND THE TRANSFER, IT IS UNDERSTOOD AND AGREED THAT AS OF THE EFFECTIVE TIME, SELLER SHALL NO LONGER BE A MEMBER OF, NOR HAVE ANY INTEREST OR RIGHTS TO PARTICIPATE IN, COMPANY. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING ASSUMPTION AND RELEASE SHALL NOT PRECLUDE PURCHASER FROM HAVING THE RIGHT TO SUE FOR ANY BREACH BY SELLER OF ITS REPRESENTATIONS, WARRANTIES OR COVENANTS CONTAINED HEREIN.

3. Recognition of Transfer by Company. Company hereby consents to and recognizes the Transfer. Company shall file this Agreement with the records of Company following the Closing Date.

4. Representations and Warranties of Seller. Seller represents and warrants to Purchaser, as of the Effective Time and the Closing Date, that:

- a. Organization. Seller is a limited liability company duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation.
- b. Authority. Seller has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by Seller, and the performance of all obligations hereunder, have been duly authorized by all necessary action.
- c. Enforceability. This Agreement has been duly and validly executed and delivered by Seller and, assuming due execution and delivery of this Agreement by the other Parties, constitutes the binding obligation of Seller enforceable against Seller in accordance with its terms.
- d. No Conflict. The execution, delivery, and performance of this Agreement by Seller will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of law to which Seller or its Affiliates is subject, (ii) violate any arbitration or mediation protocol, order, judgment, or decree applicable to Seller or its Affiliates is subject, (iii) conflict with, result in a breach or default under, or accelerate or permit the acceleration of the performance required by any term or condition of the applicable Organizational Documents of Seller or any material Contract to which Seller or its Affiliates is subject, a party to or bound by, or (iv) result in the creation or imposition of any Encumbrance upon any property of Company or the Membership Interests. Except as provided in the Operating Agreement, no consent, approval, authorization or order of any court or Governmental Authority or of any third party is required in connection with the execution, delivery and performance by Seller of this Agreement.

- e. Brokers' Fees. Neither Seller nor any of its Affiliates has employed or retained any broker, agent or finder in connection with this Agreement or the transactions contemplated herein, or paid or agreed to pay any brokerage fee, finder's fee, commission or similar payment to any person on account of this Agreement or the transactions provided for herein, which fee, commission or payment will constitute an obligation payable by Purchaser or any other Party; and Seller shall indemnify and hold harmless Purchaser from any costs, including attorneys' fees, and liability arising from the claim of any broker, agent or finder employed or retained by Seller in connection with this Agreement.
 - f. Title to Membership Interests. Seller owns beneficially and of record 50% of the issued and outstanding membership interests in Company. The Membership Interests constitute all of the issued and outstanding equity interests in Company that are owned by Seller or any of its Affiliates. The Membership Interests (i) are duly authorized, validly issued, fully paid and nonassessable; (ii) are free and clear of all Encumbrances (other than restrictions imposed on transfer under applicable federal and/or state securities Laws or regulations); (iii) are not subject to any agreements or understandings among any Persons with respect to the voting or transfer thereof; and (iv) other than this Agreement, are not subject to any outstanding subscriptions, options, convertible securities, warrants, calls or other securities granting rights to purchase or otherwise acquire any of such Membership Interests or any commitments or agreements of any character obligating Seller to transfer, redeem or exchange any of such Membership Interests or the beneficial interest thereto.
 - g. Anti-Bribery. In relation to the transactions the subject of this Agreement, neither Seller nor any of its Related Parties has made, offered or authorized or will make, offer or authorize any payment, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Government Official or any entity or other person where such payment, gift, promise or other advantage would (i) comprise a Facilitation Payment; or (ii) violate the Anti-Bribery and Money-Laundering Laws and Obligations or any other applicable Law.
 - h. Litigation. There are no Proceedings pending, threatened in writing, or, to Seller's Knowledge, threatened orally by any Person against Seller or its Affiliates with respect to the Membership Interests.
 - i. Taxes. To Seller's Knowledge, other than the "EXCO-BG Appalachia Tax Partnership," none of the assets of Company is subject to any tax partnership agreement or provisions requiring a partnership income tax return to be filed under Subchapter K of Chapter 1 of Subtitle A of the Code or any similar state statute.
5. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller, as of the Effective Time and the Closing Date, that:

- a. Organization. Purchaser is a corporation duly incorporated, validly existing and in good standing under the Laws of the jurisdiction of its formation.
 - b. Authority. Purchaser has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by Purchaser, and the performance of all obligations hereunder, have been duly authorized by all necessary action.
 - c. Enforceability. This Agreement has been duly and validly executed and delivered by Purchaser and, assuming due execution and delivery of this Agreement by the other Parties, constitutes the binding obligation of Purchaser enforceable against Purchaser in accordance with its terms.
 - d. No Conflict. The execution, delivery, and performance by Purchaser of this Agreement will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of law to which Purchaser or its Affiliates is subject, (ii) violate any arbitration or mediation protocol, order, judgment, or decree applicable to Purchaser or its Affiliates, or (iii) conflict with, result in a breach or default under, or accelerate or permit the acceleration of the performance required by any term or condition of its Organizational Documents or any material Contract to which Purchaser or its Affiliates is subject, a party to or bound by. No consent, approval, authorization or order of any court or Governmental Authority or of any third party is required in connection with the execution, delivery and performance by Purchaser of this Agreement.
 - e. Brokers' Fees. Neither Purchaser nor any of its Affiliates has employed or retained any broker, agent or finder in connection with this Agreement or the transactions contemplated herein, or paid or agreed to pay any brokerage fee, finder's fee, commission or similar payment to any person on account of this Agreement or the transactions provided for herein, which fee, commission or payment will constitute an obligation payable by Seller; and Purchaser shall indemnify and hold harmless Seller from any costs, including attorneys' fees, and liability arising from the claim of any broker, agent or finder employed or retained by Purchaser in connection with this Agreement.
 - f. Anti-Bribery. In relation to the transactions the subject of this Agreement, neither Purchaser nor any of its Related Parties has made, offered or authorized or will make, offer or authorize any payment, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Government Official or any entity or other person where such payment, gift, promise or other advantage would (i) comprise a Facilitation Payment; or (ii) violate the Anti-Bribery and Money-Laundering Laws and Obligations or any other applicable Law.
6. Representations and Warranties of Company. Company represents and warrants to Seller that Exhibit A attached hereto sets forth the unaudited consolidated balance sheet of Company as

of each of September 30, 2017, October 31, 2017, and November 30, 2017, and the unaudited statement of operations of Company for the three-month period ended November 30, 2017.

7. Disclaimer.

- a. Except as and to the limited extent expressly set forth in this Agreement, (i) each of Seller, Purchaser and Company makes no representations or warranties, express or implied, and (ii) each of Seller, Purchaser and Company expressly disclaims all liability and responsibility for any representation, warranty, statement or information made or communicated (orally or in writing) to the other Parties.
- b. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS EXPRESSLY REPRESENTED OTHERWISE IN THIS AGREEMENT, SELLER MAKES NO AND EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO (I) TITLE TO THE MEMBERSHIP INTERESTS, OR (II) ANY ESTIMATES OF THE VALUE OF THE MEMBERSHIP INTERESTS OR FUTURE REVENUES GENERATED BY THE MEMBERSHIP INTERESTS, IT BEING EXPRESSLY UNDERSTOOD AND AGREED BY THE PARTIES HERETO THAT PURCHASER SHALL BE DEEMED TO BE OBTAINING THE MEMBERSHIP INTERESTS IN THEIR PRESENT CONDITION, "AS IS" AND "WHERE IS" WITH ALL FAULTS AND DEFECTS. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING DISCLAIMER SHALL NOT PRECLUDE PURCHASER FROM HAVING THE RIGHT TO SUE FOR ANY BREACH BY SELLER OF ITS REPRESENTATIONS, WARRANTIES OR COVENANTS CONTAINED HEREIN.

8. Covenants.

- a. Releases. Effective as of the Effective Time, each Party, on behalf of itself and its Affiliates, hereby unconditionally and irrevocably and forever releases and discharges the other Parties and their respective Affiliates, and their respective successors and assigns, and any present or former directors, managers, officers, employees or agents of such Party (each, a "Released Party"), of and from, and hereby unconditionally and irrevocably waives, any and all Claims, debts and liabilities of any kind or character whatsoever, known or unknown, suspected or unsuspected, in contract, direct or indirect, at Law or in equity that such Party (or any of its Affiliates) ever had, now has or ever may have or claim to have against any Released Party, for or by reason of any matter, circumstance, event, action, inaction, omission, cause or thing whatsoever, in each instance, arising prior to the Effective Time and related to the Company, the Company's assets or the transactions contemplated by this Agreement, other than Claims (if any) related to (i) a breach by any Party of either (A) its respective representations, warranties or covenants contained herein or (B) the terms of the Operative Documents (as defined in the Settlement Agreement) and/or (ii) any claims by any Party or its

Affiliates with respect to matters relating to assets lying outside the AMI Area (as defined in the Settlement Agreement).

- b. Records. As soon as reasonably practicable (and in no event later than five days following Closing), Seller shall provide to Purchaser electronic copies of the files (including lease files, land files, wells files, division order files, abstracts, title files, engineering and/or production files), records (including corporate minute books and records and Tax and accounting records), data and maps of Company (collectively, the “Records”) that are in the possession of Seller or any of its Affiliates and that were not provided to Seller or any of its Affiliates by Company or its Affiliates.
- c. Rights of Ownership of Membership Interests. From and after the Closing, Purchaser shall be entitled to all of the rights of ownership attributable to the Membership Interests (including the right to all production, proceeds of production and other proceeds) prior to, on or after the Effective Time. If Seller (or any of its Affiliates) receives monies belonging to Company, including proceeds of production, then such amount shall, within five Business Days after the end of the month in which such amounts were received, be paid over to the proper party.

9. Limitation on Liability. In no event shall any Party be liable to the other Parties for punitive, exemplary, consequential, or special damages (except where such damages constitute part of a claim of a third person which is indemnified pursuant to the provisions of this Agreement).

10. Investment Intent of Purchaser. Purchaser acknowledges that the Membership Interests have not been, and will not be, registered under the Securities Act of 1933, as amended, or under any state securities laws, and is being sold in reliance upon federal and state exemptions for transactions not involving any public offering. Purchaser is a sophisticated investor with knowledge and experience in business and financial matters.

11. Waiver of Transfer Restrictions. Article 9 of the Operating Agreement includes certain transfer restrictions, notice requirements and indemnification obligations in connection with certain Transfers (as defined therein) or proposed Transfers (as defined therein) of the Membership Interests. Purchaser and Company hereby waive any and all transfer restrictions, notice requirements and indemnification obligations set forth in Article 9 of the Operating Agreement in connection with the Transfer of the Membership Interests contemplated by this Agreement.

12. Taxes.

- a. Taxes Generally. Seller agrees to prepare or make the requisite filings to reflect the Transfer under the Code. Seller will pay the Taxes incurred by it, if any, associated with the Transfer based on the tax effects as the transferor to the Transfer according to the Code and its corporate guidelines. Purchaser will pay the Taxes incurred by it, if any, associated with the Transfer based on the tax

effects as the transferee to the Transfer according to the Code and its corporate guidelines.

- b. Cooperation on Tax Matters. In connection with the preparation of any Company Tax Returns, payment of Taxes related to Company, audit examinations related to Company, and any administrative or judicial proceedings regarding Tax liabilities that are imposed on Seller or Purchaser and related to Company, Seller and Purchaser shall, and shall cause Company to, cooperate fully with each other, including with respect to the furnishing or making available during normal business hours of records, personnel (as reasonably required), books of account, powers of attorney or other materials necessary or helpful for the preparation of such Company Tax Returns, the payment of such Taxes, the conduct of such audit examinations or the defense of Claims by Governmental Authorities as to the imposition of such Taxes.
 - c. Tax Characterization. The Parties agree that for U.S. federal income tax purposes and for purposes of state income taxes that follow U.S. federal income tax principles, the transactions herein, taken together with the transactions contemplated by the Settlement Agreement shall be treated in a manner consistent with the principles of Revenue Ruling 99-6, 1999-1 C.B. 432. Accordingly, (i) Seller shall be treated as transferring the Membership Interests in Company in satisfaction of the Claims, and (ii) Purchaser shall be treated as receiving a proportionate share of the assets of Company.
13. Resignation of Board Members. The execution of this Agreement shall serve as Seller's written notice, as required by the Operating Agreement, of the resignation of all the BG Board Members and alternate Board Members, effective as of the Closing Date.
14. Miscellaneous.
- a. Effect of Waiver or Consent. Any failure by any Party or Parties to comply with any of its or their obligations, agreements or conditions herein contained may be waived by the Party or Parties to whom such compliance is owed by an instrument signed by any such Party or Parties and expressly identified as a waiver, but not in any other manner. No waiver of, or consent to a change in, any of the provisions of this Agreement shall be deemed or shall constitute a waiver of, or consent to a change in, other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in writing.
 - b. Amendment. This Agreement may be amended or modified only by an agreement in writing executed by all Parties and expressly identified as an amendment or modification.
 - c. Successors and Assigns. Neither this Agreement nor any rights, interest, obligations or other parts hereof shall be assignable by any Party without the prior written consent of the other Parties, which consent may be denied in such other

Party's sole discretion. Any assignment in violation of this provision shall be void. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit of and be enforceable by the Parties hereto and their respective successors and assigns.

- d. Governing Law. EXCEPT TO THE EXTENT THE LAWS OF ANOTHER JURISDICTION WILL GOVERN UNDER CONFLICT OF LAWS PRINCIPLES GOVERNING TRANSFERS OF ASSETS LOCATED IN SUCH OTHER JURISDICTION, THIS AGREEMENT AND THE LEGAL RELATIONS AMONG THE PARTIES SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.
- e. Dispute Resolution. The sole and exclusive forum for any disputes arising out of or relating to this Agreement, including, but not limited to, any disputes involving questions of breach, termination, or validity of this Agreement, shall be finally resolved by arbitration in Houston, Texas. The arbitration shall be conducted in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration ("CPR") Rules. The CPR is the appointing authority. The resulting arbitral award shall be final and binding without right of appeal, and judgment upon such award may be entered in any court having jurisdiction thereof.
- f. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.
- g. Further Assurances. In the event that at any time any further action is necessary to carry out the purposes of this Agreement, the Parties shall take such further action (including the execution and delivery of such further documents and instruments) as any Party may reasonably request.
- h. Counterparts; Facsimile. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one agreement. The Parties agree that any document or signature delivered by facsimile transmission, by PDF through electronic mail, or other electronic means shall be deemed an original executed document for all purposes hereof.
- i. Press Releases. No Party shall (and each shall cause its Affiliates not to) issue any press release or make any statement to the general public relating to the subject matter of this Agreement unless such Party has first consulted with the other Parties and obtained the other Parties' prior written approval of the text thereof; *provided, however*, that nothing herein shall prevent a Party from publishing such press releases or other statement to the general public as is necessary to satisfy

such Party's obligations at Law or under the applicable rules of any stock or commodities exchange or any court after consultation with the other Parties and such other Parties' reasonable review and comment.

- j. Certain Definitions. The following terms, as used herein, have the meanings set forth below:

"Affiliate" or "Affiliates" mean, with respect to any Party, any corporation, partnership (including a limited partnership), limited liability company, or other legal entity that directly or indirectly controls, is controlled by or is under common control with such Party; where "control" means the ability to direct the management and policies of a Person through ownership of voting shares or other equity rights, pursuant to a written agreement, or otherwise. The terms "Controls" and "Controlled by" and other derivatives shall be construed accordingly.

"Anti-Bribery and Money-Laundering Laws and Obligations" means (a) the laws relating to combating bribery and corruption, and/or the principles described in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed in Paris on December 17, 1997, which entered into force on February 15, 1999, and the Convention's Commentaries; (b) the laws relating to combating bribery, corruption and money laundering in the countries of the applicable Person's place of incorporation, principal place of business, and/or place of registration as an issuer of securities, and/or in the countries of the applicable Person's ultimate parent company's place of incorporation, principal place of business, and/or place of registration as an issuer of securities; (c) the United States Foreign Corrupt Practices Act of 1977; (d) the United Kingdom Bribery Act 2010 (as amended from time to time); and (e) and all other applicable national, regional, provincial, state, municipal or local laws and regulations that prohibit the bribery of, or the providing of unlawful gratuities, facilitation payments or other benefits to, any Government Official or any other person.

"Business Day" means any day that is not a Saturday, Sunday or legal holiday in the State of Texas and that is not otherwise a federal holiday in the United States.

"Claims" means any and all claims, demands, loss, liability, liens, judgments, settlements, suits, causes of action, fines, penalties, compliances, costs, and any costs, expenses and fees associated with the investigation, defense and resolution of the foregoing, including without limitation, reasonable attorney's fees, asserted or prosecuted by or on behalf of a third party. Claims may be based on any theory of tort, contract, strict liability, statutory liability (including, without limitation, fines, penalties, obligations or requirements) or any other basis for liability and shall include, without limitation, any Claims arising, occurring or resulting from, related to or based on the injury, disease, or death of any persons or damage to, loss or destruction of any property, real or personal.

"Closing" means the closing of the transactions contemplated by this Agreement.

"Closing Date" has the meaning set forth in that certain Agreement Regarding Settlement by and among Purchaser, certain Affiliates of Purchaser, Seller and certain Affiliates of Seller.

"Code" means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“Contract” means any written or oral contract, agreement, purchase order, binding bid, commitment or any other legally binding arrangement, but excluding, however, any lease, deed, easement, permit or other instrument (other than acquisition or similar sales or purchase agreements) creating, assigning or evidencing an interest in any real property related to or used in connection with the assets of any of Company.

“Encumbrance” means any liens, pledges, mortgages, deeds of trust, security interests, leases, licenses, charges, Claims, encroachments, easements or other encumbrances of any kind.

“Facilitation Payments” means payments to a Government Official to facilitate or expedite performance of a routine governmental action which is an action which is commonly performed by such Government Official.

“Government Official” means (a) any official or employee of any government, or any agency, ministry, department of a government (at any level), person acting in an official capacity for a government regardless of rank or position, official or employee of a company wholly or partially controlled by a government (for example, a state owned oil company), political party and any official of a political party; and (b) any candidate for political office, any officer or employee of a public international organization, such as the United Nations or the World Bank, or any immediate family member (meaning a spouse, dependent child or household member) of any of the foregoing.

“Governmental Authority” means any federal, state, county, municipal or local government or any regulatory or administrative agency, department, division, commission, court or arbitral body, or other similar recognized organization or body of any federal, state, tribal, municipal, or local governmental authority or of any foreign government or other similar recognized organization or body exercising similar powers or authority.

“Known/Knowledge” whenever a statement regarding the existence (or absence) of any fact in this Agreement is qualified by a phrase such as “to such Party’s Knowledge”, “Known to such Party,” “has Knowledge” or “had actual Knowledge” or any similar qualification, the Parties intend that the only information to be attributed to such Party is information actually known to (i) the person in the case of an individual or (ii) in the case of a corporation (or other business entity), the current officer and/or manager who devotes substantial attention to matters of such nature during the ordinary course of his or her employment after due inquiry to all Person reporting to such officer or manager. Except as provided in the preceding sentence and unless otherwise specifically provided elsewhere in this Agreement, no Party is represented or obligated to have undertaken a separate investigation in connection with the transaction contemplated in this Agreement to determine the existence (or absence) of any statement or representation qualified by a phrase such as “to such Party’s Knowledge”, “Known to such Party” or “had actual Knowledge” or similar qualification.

“Law” means any applicable statute, writ, law, common law, rule, regulation, ordinance, order, or determination of a Governmental Authority, or any requirement under the common law.

“Organizational Documents” means any charter, certificate of incorporation, articles of association, partnership agreements, limited liability company agreements, bylaws, operating

agreements or similar formation or governing documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of a Person, including any amendments thereto.

“Person” means any individual, firm, corporation, partnership, limited liability company, incorporated or unincorporated association, joint venture, joint stock company, Governmental Authority or other entity of any kind.

“Proceeding” means any action, arbitration, audit, cause, complaint, charge, hearing, inquiry, investigation, litigation, proceeding, review or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before any Governmental Authority or arbitrator.

“Related Parties” means in relation to a Party: (a) any of its Affiliates; (b) any person employed by that Party or its Affiliates; (c) any director or other officer of that Party or its Affiliates; and (d) any person or entity acting for or on behalf of that Party or its Affiliates.

“Tax” and “Taxes” means all taxes, assessments, charges, duties, fees, levies, imposts or other similar charges imposed by a Governmental Authority, including all income, franchise, profits, capital gains, capital stock, transfer, gross receipts, sales, use, transfer, service, occupation, ad valorem, property, excise, severance, windfall profits, premium, stamp, license, payroll, employment, social security, unemployment, disability, environmental, alternative minimum, add-on, value-added, withholding and other taxes, assessments, charges, duties, fees, levies, imposts or other similar charges of any kind, and all estimated taxes, deficiency assessments, additions to tax, penalties and interest, whether disputed or not and including any obligation to indemnify or otherwise assume or succeed to the foregoing liabilities of any other Person by Law, by Contract or otherwise.

“Tax Returns” means any report, return, election, document, estimated tax filing, declaration or other filing provided to any Governmental Authority including any attachments thereto and amendments thereof.

[Signature page follows.]

IN WITNESS WHEREOF each of the Parties has executed this Agreement to be effective as of the Effective Time.

SELLER:

BG US PRODUCTION COMPANY, LLC

Name:

Title:

PURCHASER:

EXCO HOLDING (PA), INC.

Name: Harold L. Hickey
Title: Chief Executive Officer & President

COMPANY:

EXCO RESOURCES (PA), LLC

Name: Harold L. Hickey
Title: President & Chief Executive Officer

EXHIBIT C

MEMBERSHIP INTEREST (MIDSTREAM) TRANSFER AGREEMENT

MEMBERSHIP INTEREST (MIDSTREAM) TRANSFER AGREEMENT

THIS MEMBERSHIP INTEREST (MIDSTREAM) TRANSFER AGREEMENT (this “Agreement”) is entered into as of the Closing Date (as defined below), but is effective for all purposes as of 11:57 p.m. on November 30, 2017 (the “Effective Time”), by and among BG US Production Company, LLC, a Delaware limited liability company (“Seller”), EXCO Appalachia Midstream, LLC, a Delaware limited liability company (“Company”), and EXCO Holding (PA), Inc., a Delaware corporation (“Purchaser”). Each of Seller, Company and Purchaser may be referred to as a “Party” or together, as the “Parties.” Capitalized terms not otherwise defined herein, including in Section 14, shall have the meanings attributed to them in the Second Amended and Restated Limited Liability Company Agreement, dated June 1, 2010, of Company (as amended from time to time, including an amendment on October 14, 2014, the “Operating Agreement”).

RECITALS

WHEREAS, Seller is a member in Company;

WHEREAS, the business and affairs of Company are governed by the Operating Agreement;

WHEREAS, Seller owns 50% of the issued and outstanding membership interest in Company (the “Membership Interests”);

WHEREAS, Purchaser, certain Affiliates of Purchaser, Company, and certain Affiliates of Seller are entering or have entered into that certain Settlement Agreement and Mutual Release, dated as of the Closing Date (the “Settlement Agreement”); and

WHEREAS, in accordance with the Settlement Agreement, Seller will sell and Purchaser will purchase all of Seller’s right, title, and interest in and to all of the Membership Interests upon the terms and subject to the conditions set forth herein in return for the consideration specified herein.

NOW, THEREFORE, in consideration of the mutual representations, covenants and agreements contained herein and in the Settlement Agreement and other good and valuable consideration set forth herein and in the Settlement Agreement, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties to this Agreement hereby agree as follows:

1. Transfer and Assignment. Subject to all of the terms of this Agreement, Seller shall transfer the Membership Interests in Company to Purchaser effective as of the Effective Time.
2. Assignment and Assumption; Agreement to be Bound; No Longer Member. For and in consideration of agreed value, the receipt and sufficiency of which is hereby acknowledged, Seller hereby sells, conveys, assigns, transfers and delivers to Purchaser, free and clear of all Encumbrances, all of its right, title and interest in and to the Membership Interests, and Purchaser hereby takes and accepts such assignment and transfer, in each case, effective as of the Effective Time (the “Transfer”). PURCHASER HEREBY AGREES TO ASSUME, ACCEPT

AND TIMELY PERFORM AND DISCHARGE ANY AND ALL OF THE DUTIES, COVENANTS, LIABILITIES AND OTHER OBLIGATIONS OF SELLER UNDER THE OPERATING AGREEMENT, WHETHER ARISING BEFORE OR AFTER THE EFFECTIVE TIME. SELLER AND ITS AFFILIATES SHALL BE RELEASED FROM ALL OF ITS RESPECTIVE OBLIGATIONS UNDER THE OPERATING AGREEMENT WHETHER ARISING BEFORE OR AFTER THE EFFECTIVE TIME, AND AS A RESULT OF SUCH RELEASE OF Seller BY PURCHASER AND THE TRANSFER, IT IS UNDERSTOOD AND AGREED THAT AS OF THE EFFECTIVE TIME, SELLER SHALL NO LONGER BE A MEMBER OF, NOR HAVE ANY INTEREST OR RIGHTS TO PARTICIPATE IN, COMPANY. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING ASSUMPTION AND RELEASE SHALL NOT PRECLUDE PURCHASER FROM HAVING THE RIGHT TO SUE FOR ANY BREACH BY SELLER OF ITS REPRESENTATIONS, WARRANTIES OR COVENANTS CONTAINED HEREIN.

3. Recognition of Transfer by Company. Company hereby consents to and recognizes the Transfer. Company shall file this Agreement with the records of Company following the Closing Date.

4. Representations and Warranties of Seller. Seller represents and warrants to Purchaser, as of the Effective Time and the Closing Date, that:

- a. Organization. Seller is a limited liability company duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation.
- b. Authority. Seller has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by Seller, and the performance of all obligations hereunder, have been duly authorized by all necessary action.
- c. Enforceability. This Agreement has been duly and validly executed and delivered by Seller and, assuming due execution and delivery of this Agreement by the other Parties, constitutes the binding obligation of Seller enforceable against Seller in accordance with its terms.
- d. No Conflict. The execution, delivery, and performance of this Agreement by Seller will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of law to which Seller or its Affiliates is subject, (ii) violate any arbitration or mediation protocol, order, judgment, or decree applicable to Seller or its Affiliates is subject, (iii) conflict with, result in a breach or default under, or accelerate or permit the acceleration of the performance required by any term or condition of the applicable Organizational Documents of Seller or any material Contract to which Seller or its Affiliates is subject, a party to or bound by, or (iv) result in the creation or imposition of any Encumbrance upon any property of Company or the Membership Interests. Except as provided in the Operating Agreement, no consent, approval, authorization or order of any court or Governmental Authority or of any third party is required in connection with the execution, delivery and performance by Seller of this Agreement.

- e. Brokers' Fees. Neither Seller nor any of its Affiliates has employed or retained any broker, agent or finder in connection with this Agreement or the transactions contemplated herein, or paid or agreed to pay any brokerage fee, finder's fee, commission or similar payment to any person on account of this Agreement or the transactions provided for herein, which fee, commission or payment will constitute an obligation payable by Purchaser or any other Party; and Seller shall indemnify and hold harmless Purchaser from any costs, including attorneys' fees, and liability arising from the claim of any broker, agent or finder employed or retained by Seller in connection with this Agreement.
 - f. Title to Membership Interests. Seller owns beneficially and of record 50% of the issued and outstanding membership interests in Company. The Membership Interests constitute all of the issued and outstanding equity interests in Company that are owned by Seller or any of its Affiliates. The Membership Interests (i) are duly authorized, validly issued, fully paid and nonassessable; (ii) are free and clear of all Encumbrances (other than restrictions imposed on transfer under applicable federal and/or state securities Laws or regulations); (iii) are not subject to any agreements or understandings among any Persons with respect to the voting or transfer thereof; and (iv) other than this Agreement, are not subject to any outstanding subscriptions, options, convertible securities, warrants, calls or other securities granting rights to purchase or otherwise acquire any of such Membership Interests or any commitments or agreements of any character obligating Seller to transfer, redeem or exchange any of such Membership Interests or the beneficial interest thereto.
 - g. Anti-Bribery. In relation to the transactions the subject of this Agreement, neither Seller nor any of its Related Parties has made, offered or authorized or will make, offer or authorize any payment, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Government Official or any entity or other person where such payment, gift, promise or other advantage would (i) comprise a Facilitation Payment; or (ii) violate the Anti-Bribery and Money-Laundering Laws and Obligations or any other applicable Law.
 - h. Litigation. There are no Proceedings pending, threatened in writing, or, to Seller's Knowledge, threatened orally by any Person against Seller or its Affiliates with respect to the Membership Interests.
 - i. Taxes. To Seller's Knowledge, other than the "EXCO-BG Appalachia Tax Partnership," none of the assets of Company is subject to any tax partnership agreement or provisions requiring a partnership income tax return to be filed under Subchapter K of Chapter 1 of Subtitle A of the Code or any similar state statute.
5. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller, as of the Effective Time and the Closing Date, that:

- a. Organization. Purchaser is a corporation duly incorporated, validly existing and in good standing under the Laws of the jurisdiction of its formation.
 - b. Authority. Purchaser has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by Purchaser, and the performance of all obligations hereunder, have been duly authorized by all necessary action.
 - c. Enforceability. This Agreement has been duly and validly executed and delivered by Purchaser and, assuming due execution and delivery of this Agreement by the other Parties, constitutes the binding obligation of Purchaser enforceable against Purchaser in accordance with its terms.
 - d. No Conflict. The execution, delivery, and performance by Purchaser of this Agreement will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of law to which Purchaser or its Affiliates is subject, (ii) violate any arbitration or mediation protocol, order, judgment, or decree applicable to Purchaser or its Affiliates, or (iii) conflict with, result in a breach or default under, or accelerate or permit the acceleration of the performance required by any term or condition of its Organizational Documents or any material Contract to which Purchaser or its Affiliates is subject, a party to or bound by. No consent, approval, authorization or order of any court or Governmental Authority or of any third party is required in connection with the execution, delivery and performance by Purchaser of this Agreement.
 - e. Brokers' Fees. Neither Purchaser nor any of its Affiliates has employed or retained any broker, agent or finder in connection with this Agreement or the transactions contemplated herein, or paid or agreed to pay any brokerage fee, finder's fee, commission or similar payment to any person on account of this Agreement or the transactions provided for herein, which fee, commission or payment will constitute an obligation payable by Seller; and Purchaser shall indemnify and hold harmless Seller from any costs, including attorneys' fees, and liability arising from the claim of any broker, agent or finder employed or retained by Purchaser in connection with this Agreement.
 - f. Anti-Bribery. In relation to the transactions the subject of this Agreement, neither Purchaser nor any of its Related Parties has made, offered or authorized or will make, offer or authorize any payment, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Government Official or any entity or other person where such payment, gift, promise or other advantage would (i) comprise a Facilitation Payment; or (ii) violate the Anti-Bribery and Money-Laundering Laws and Obligations or any other applicable Law.
6. Representations and Warranties of Company. Company represents and warrants to Seller that Exhibit A attached hereto sets forth the unaudited consolidated balance sheet of Company as

of each of September 30, 2017, October 31, 2017, and November 30, 2017, and the unaudited statement of operations of Company for the three-month period ended November 30, 2017.

7. Disclaimer.

- a. Except as and to the limited extent expressly set forth in this Agreement, (i) each of Seller, Purchaser and Company makes no representations or warranties, express or implied, and (ii) each of Seller, Purchaser and Company expressly disclaims all liability and responsibility for any representation, warranty, statement or information made or communicated (orally or in writing) to the other Parties.
- b. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS EXPRESSLY REPRESENTED OTHERWISE IN THIS AGREEMENT, SELLER MAKES NO AND EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO (I) TITLE TO THE MEMBERSHIP INTERESTS, OR (II) ANY ESTIMATES OF THE VALUE OF THE MEMBERSHIP INTERESTS OR FUTURE REVENUES GENERATED BY THE MEMBERSHIP INTERESTS, IT BEING EXPRESSLY UNDERSTOOD AND AGREED BY THE PARTIES HERETO THAT PURCHASER SHALL BE DEEMED TO BE OBTAINING THE MEMBERSHIP INTERESTS IN THEIR PRESENT CONDITION, "AS IS" AND "WHERE IS" WITH ALL FAULTS AND DEFECTS. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING DISCLAIMER SHALL NOT PRECLUDE PURCHASER FROM HAVING THE RIGHT TO SUE FOR ANY BREACH BY SELLER OF ITS REPRESENTATIONS, WARRANTIES OR COVENANTS CONTAINED HEREIN.

8. Covenants.

- a. Releases. Effective as of the Effective Time, each Party, on behalf of itself and its Affiliates, hereby unconditionally and irrevocably and forever releases and discharges the other Parties and their respective Affiliates, and their respective successors and assigns, and any present or former directors, managers, officers, employees or agents of such Party (each, a "Released Party"), of and from, and hereby unconditionally and irrevocably waives, any and all Claims, debts and liabilities of any kind or character whatsoever, known or unknown, suspected or unsuspected, in contract, direct or indirect, at Law or in equity that such Party (or any of its Affiliates) ever had, now has or ever may have or claim to have against any Released Party, for or by reason of any matter, circumstance, event, action, inaction, omission, cause or thing whatsoever, in each instance, arising prior to the Effective Time and related to the Company, the Company's assets or the transactions contemplated by this Agreement, other than Claims (if any) related to (i) a breach by any Party of either (A) its respective representations, warranties or covenants contained herein or (B) the terms of the Operative Documents (as defined in the Settlement Agreement) and/or (ii) any claims by any Party or its

Affiliates with respect to matters relating to assets lying outside the AMI Area (as defined in the Settlement Agreement).

- b. Records. As soon as reasonably practicable (and in no event later than five days following Closing), Seller shall provide to Purchaser electronic copies of the files (including lease files, land files, wells files, division order files, abstracts, title files, engineering and/or production files), records (including corporate minute books and records and Tax and accounting records), data and maps of Company (collectively, the “Records”) that are in the possession of Seller or any of its Affiliates and that were not provided to Seller or any of its Affiliates by Company or its Affiliates.
- c. Rights of Ownership of Membership Interests. From and after the Closing, Purchaser shall be entitled to all of the rights of ownership attributable to the Membership Interests (including the right to all production, proceeds of production and other proceeds) prior to, on or after the Effective Time. If Seller (or any of its Affiliates) receives monies belonging to Company, including proceeds of production, then such amount shall, within five Business Days after the end of the month in which such amounts were received, be paid over to the proper party.

9. Limitation on Liability. In no event shall any Party be liable to the other Parties for punitive, exemplary, consequential, or special damages (except where such damages constitute part of a claim of a third person which is indemnified pursuant to the provisions of this Agreement).

10. Investment Intent of Purchaser. Purchaser acknowledges that the Membership Interests have not been, and will not be, registered under the Securities Act of 1933, as amended, or under any state securities laws, and is being sold in reliance upon federal and state exemptions for transactions not involving any public offering. Purchaser is a sophisticated investor with knowledge and experience in business and financial matters.

11. Waiver of Transfer Restrictions. Article 10 of the Operating Agreement includes certain transfer restrictions, notice requirements and indemnification obligations in connection with certain Transfers (as defined therein) or proposed Transfers (as defined therein) of the Membership Interests. Purchaser and Company hereby waive any and all transfer restrictions, notice requirements and indemnification obligations set forth in Article 10 of the Operating Agreement in connection with the Transfer of the Membership Interests contemplated by this Agreement.

12. Taxes.

- a. Taxes Generally. Seller agrees to prepare or make the requisite filings to reflect the Transfer under the Code. Seller will pay the Taxes incurred by it, if any, associated with the Transfer based on the tax effects as the transferor to the Transfer according to the Code and its corporate guidelines. Purchaser will pay the Taxes incurred by it, if any, associated with the Transfer based on the tax

effects as the transferee to the Transfer according to the Code and its corporate guidelines.

- b. Cooperation on Tax Matters. In connection with the preparation of any Company Tax Returns, payment of Taxes related to Company, audit examinations related to Company, and any administrative or judicial proceedings regarding Tax liabilities that are imposed on Seller or Purchaser and related to Company, Seller and Purchaser shall, and shall cause Company to, cooperate fully with each other, including with respect to the furnishing or making available during normal business hours of records, personnel (as reasonably required), books of account, powers of attorney or other materials necessary or helpful for the preparation of such Company Tax Returns, the payment of such Taxes, the conduct of such audit examinations or the defense of Claims by Governmental Authorities as to the imposition of such Taxes.
 - c. Tax Characterization. The Parties agree that for U.S. federal income tax purposes and for purposes of state income taxes that follow U.S. federal income tax principles, the transactions herein, taken together with the transactions contemplated by the Settlement Agreement shall be treated in a manner consistent with the principles of Revenue Ruling 99-6, 1999-1 C.B. 432. Accordingly, (i) Seller shall be treated as transferring the Membership Interests in Company in satisfaction of the Claims, and (ii) Purchaser shall be treated as receiving a proportionate share of the assets of Company.
13. Resignation of Board Members. The execution of this Agreement shall serve as Seller's written notice, as required by the Operating Agreement, of the resignation of all the BG Board Members and alternate Board Members, effective as of the Closing Date.
14. Miscellaneous.
- a. Effect of Waiver or Consent. Any failure by any Party or Parties to comply with any of its or their obligations, agreements or conditions herein contained may be waived by the Party or Parties to whom such compliance is owed by an instrument signed by any such Party or Parties and expressly identified as a waiver, but not in any other manner. No waiver of, or consent to a change in, any of the provisions of this Agreement shall be deemed or shall constitute a waiver of, or consent to a change in, other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in writing.
 - b. Amendment. This Agreement may be amended or modified only by an agreement in writing executed by all Parties and expressly identified as an amendment or modification.
 - c. Successors and Assigns. Neither this Agreement nor any rights, interest, obligations or other parts hereof shall be assignable by any Party without the prior written consent of the other Parties, which consent may be denied in such other

Party's sole discretion. Any assignment in violation of this provision shall be void. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit of and be enforceable by the Parties hereto and their respective successors and assigns.

- d. Governing Law. EXCEPT TO THE EXTENT THE LAWS OF ANOTHER JURISDICTION WILL GOVERN UNDER CONFLICT OF LAWS PRINCIPLES GOVERNING TRANSFERS OF ASSETS LOCATED IN SUCH OTHER JURISDICTION, THIS AGREEMENT AND THE LEGAL RELATIONS AMONG THE PARTIES SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.
- e. Dispute Resolution. The sole and exclusive forum for any disputes arising out of or relating to this Agreement, including, but not limited to, any disputes involving questions of breach, termination, or validity of this Agreement, shall be finally resolved by arbitration in Houston, Texas. The arbitration shall be conducted in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration ("CPR") Rules. The CPR is the appointing authority. The resulting arbitral award shall be final and binding without right of appeal, and judgment upon such award may be entered in any court having jurisdiction thereof.
- f. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.
- g. Further Assurances. In the event that at any time any further action is necessary to carry out the purposes of this Agreement, the Parties shall take such further action (including the execution and delivery of such further documents and instruments) as any Party may reasonably request.
- h. Counterparts; Facsimile. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one agreement. The Parties agree that any document or signature delivered by facsimile transmission, by PDF through electronic mail, or other electronic means shall be deemed an original executed document for all purposes hereof.
- i. Press Releases. No Party shall (and each shall cause its Affiliates not to) issue any press release or make any statement to the general public relating to the subject matter of this Agreement unless such Party has first consulted with the other Parties and obtained the other Parties' prior written approval of the text thereof; *provided, however*, that nothing herein shall prevent a Party from publishing such press releases or other statement to the general public as is necessary to satisfy

such Party's obligations at Law or under the applicable rules of any stock or commodities exchange or any court after consultation with the other Parties and such other Parties' reasonable review and comment.

- j. Certain Definitions. The following terms, as used herein, have the meanings set forth below:

"Affiliate" or "Affiliates" mean, with respect to any Party, any corporation, partnership (including a limited partnership), limited liability company, or other legal entity that directly or indirectly controls, is controlled by or is under common control with such Party; where "control" means the ability to direct the management and policies of a Person through ownership of voting shares or other equity rights, pursuant to a written agreement, or otherwise. The terms "Controls" and "Controlled by" and other derivatives shall be construed accordingly.

"Anti-Bribery and Money-Laundering Laws and Obligations" means (a) the laws relating to combating bribery and corruption, and/or the principles described in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed in Paris on December 17, 1997, which entered into force on February 15, 1999, and the Convention's Commentaries; (b) the laws relating to combating bribery, corruption and money laundering in the countries of the applicable Person's place of incorporation, principal place of business, and/or place of registration as an issuer of securities, and/or in the countries of the applicable Person's ultimate parent company's place of incorporation, principal place of business, and/or place of registration as an issuer of securities; (c) the United States Foreign Corrupt Practices Act of 1977; (d) the United Kingdom Bribery Act 2010 (as amended from time to time); and (e) and all other applicable national, regional, provincial, state, municipal or local laws and regulations that prohibit the bribery of, or the providing of unlawful gratuities, facilitation payments or other benefits to, any Government Official or any other person.

"Business Day" means any day that is not a Saturday, Sunday or legal holiday in the State of Texas and that is not otherwise a federal holiday in the United States.

"Claims" means any and all claims, demands, loss, liability, liens, judgments, settlements, suits, causes of action, fines, penalties, compliances, costs, and any costs, expenses and fees associated with the investigation, defense and resolution of the foregoing, including without limitation, reasonable attorney's fees, asserted or prosecuted by or on behalf of a third party. Claims may be based on any theory of tort, contract, strict liability, statutory liability (including, without limitation, fines, penalties, obligations or requirements) or any other basis for liability and shall include, without limitation, any Claims arising, occurring or resulting from, related to or based on the injury, disease, or death of any persons or damage to, loss or destruction of any property, real or personal.

"Closing" means the closing of the transactions contemplated by this Agreement.

"Closing Date" has the meaning set forth in that certain Agreement Regarding Settlement by and among Purchaser, certain Affiliates of Purchaser, Seller and certain Affiliates of Seller.

"Code" means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“Contract” means any written or oral contract, agreement, purchase order, binding bid, commitment or any other legally binding arrangement, but excluding, however, any lease, deed, easement, permit or other instrument (other than acquisition or similar sales or purchase agreements) creating, assigning or evidencing an interest in any real property related to or used in connection with the assets of any of Company.

“Encumbrance” means any liens, pledges, mortgages, deeds of trust, security interests, leases, licenses, charges, Claims, encroachments, easements or other encumbrances of any kind.

“Facilitation Payments” means payments to a Government Official to facilitate or expedite performance of a routine governmental action which is an action which is commonly performed by such Government Official.

“Government Official” means (a) any official or employee of any government, or any agency, ministry, department of a government (at any level), person acting in an official capacity for a government regardless of rank or position, official or employee of a company wholly or partially controlled by a government (for example, a state owned oil company), political party and any official of a political party; and (b) any candidate for political office, any officer or employee of a public international organization, such as the United Nations or the World Bank, or any immediate family member (meaning a spouse, dependent child or household member) of any of the foregoing.

“Governmental Authority” means any federal, state, county, municipal or local government or any regulatory or administrative agency, department, division, commission, court or arbitral body, or other similar recognized organization or body of any federal, state, tribal, municipal, or local governmental authority or of any foreign government or other similar recognized organization or body exercising similar powers or authority.

“Known/Knowledge” whenever a statement regarding the existence (or absence) of any fact in this Agreement is qualified by a phrase such as “to such Party’s Knowledge”, “Known to such Party,” “has Knowledge” or “had actual Knowledge” or any similar qualification, the Parties intend that the only information to be attributed to such Party is information actually known to (i) the person in the case of an individual or (ii) in the case of a corporation (or other business entity), the current officer and/or manager who devotes substantial attention to matters of such nature during the ordinary course of his or her employment after due inquiry to all Person reporting to such officer or manager. Except as provided in the preceding sentence and unless otherwise specifically provided elsewhere in this Agreement, no Party is represented or obligated to have undertaken a separate investigation in connection with the transaction contemplated in this Agreement to determine the existence (or absence) of any statement or representation qualified by a phrase such as “to such Party’s Knowledge”, “Known to such Party” or “had actual Knowledge” or similar qualification.

“Law” means any applicable statute, writ, law, common law, rule, regulation, ordinance, order, or determination of a Governmental Authority, or any requirement under the common law.

“Organizational Documents” means any charter, certificate of incorporation, articles of association, partnership agreements, limited liability company agreements, bylaws, operating

agreements or similar formation or governing documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of a Person, including any amendments thereto.

“Person” means any individual, firm, corporation, partnership, limited liability company, incorporated or unincorporated association, joint venture, joint stock company, Governmental Authority or other entity of any kind.

“Proceeding” means any action, arbitration, audit, cause, complaint, charge, hearing, inquiry, investigation, litigation, proceeding, review or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before any Governmental Authority or arbitrator.

“Related Parties” means in relation to a Party: (a) any of its Affiliates; (b) any person employed by that Party or its Affiliates; (c) any director or other officer of that Party or its Affiliates; and (d) any person or entity acting for or on behalf of that Party or its Affiliates.

“Tax” and “Taxes” means all taxes, assessments, charges, duties, fees, levies, imposts or other similar charges imposed by a Governmental Authority, including all income, franchise, profits, capital gains, capital stock, transfer, gross receipts, sales, use, transfer, service, occupation, ad valorem, property, excise, severance, windfall profits, premium, stamp, license, payroll, employment, social security, unemployment, disability, environmental, alternative minimum, add-on, value-added, withholding and other taxes, assessments, charges, duties, fees, levies, imposts or other similar charges of any kind, and all estimated taxes, deficiency assessments, additions to tax, penalties and interest, whether disputed or not and including any obligation to indemnify or otherwise assume or succeed to the foregoing liabilities of any other Person by Law, by Contract or otherwise.

“Tax Returns” means any report, return, election, document, estimated tax filing, declaration or other filing provided to any Governmental Authority including any attachments thereto and amendments thereof.

[Signature page follows.]

IN WITNESS WHEREOF each of the Parties has executed this Agreement to be effective as of the Effective Time.

SELLER:

BG US PRODUCTION COMPANY, LLC

Name:

Title:

PURCHASER:

EXCO HOLDING (PA), INC.

Name: Harold L. Hickey
Title: Chief Executive Officer & President

COMPANY:

EXCO APPALACHIA MIDSTREAM, LLC

Name: Harold L. Hickey
Title: President & Chief Executive Officer

EXHIBIT D

MEMBERSHIP INTEREST (BG PA) TRANSFER AGREEMENT

MEMBERSHIP INTEREST (BG PA) TRANSFER AGREEMENT

THIS MEMBERSHIP INTEREST (BG PA) TRANSFER AGREEMENT (this “Agreement”) is entered into as of the Closing Date (as defined below), but is effective for all purposes as of 11:59 p.m. on November 30, 2017 (the “Effective Time”), by and among BG US Production Company, LLC, a Delaware limited liability company (“Seller”), BG Production Company (PA), LLC, a Delaware limited liability company (“Company”), and EXCO Production Company (PA), LLC, a Delaware limited liability company (the “Purchaser”). Each of Seller, Company and Purchaser may be referred to as a “Party” or together, as the “Parties.” Capitalized terms not otherwise defined herein, including in Section 12, shall have the meanings attributed to them in the Amended and Restated Operating Agreement of Company dated June 1, 2010 (as amended, the “Operating Agreement”).

RECITALS

WHEREAS, Seller is the sole member in Company;

WHEREAS, the business and affairs of Company are governed by the Operating Agreement;

WHEREAS, Seller owns 100% of the issued and outstanding membership interests in Company (the “Membership Interests”);

WHEREAS, Purchaser, certain Affiliates of Purchaser, Company, and certain Affiliates of Seller are entering or have entered into that certain Settlement Agreement and Mutual Release, dated as of the Closing Date (the “Settlement Agreement”); and

WHEREAS, in accordance with the Settlement Agreement, Seller will sell and Purchaser will purchase all of Seller’s right, title, and interest in and to all of the Membership Interests upon the terms and subject to the conditions set forth herein in return for the consideration specified herein.

NOW, THEREFORE, in consideration of the mutual representations, covenants and agreements contained herein and in the Settlement Agreement and other good and valuable consideration set forth herein and in the Settlement Agreement, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties to this Agreement hereby agree as follows:

1. Transfer and Assignment. Subject to all of the terms of this Agreement, Seller shall transfer the Membership Interests to Purchaser effective as of the Effective Time.
2. Assignment and Assumption; Agreement to be Bound; No Longer Member. For and in consideration of agreed value, the receipt and sufficiency of which is hereby acknowledged, Seller hereby sells, conveys, assigns, transfers and delivers to Purchaser, free and clear of all Encumbrances, all of its right, title and interest in and to the Membership Interests, and Purchaser hereby takes and accepts such assignment and transfer, in each case, effective as of the Effective Time (the “Transfer”). PURCHASER HEREBY AGREES TO ASSUME, ACCEPT AND TIMELY PERFORM AND DISCHARGE ANY AND ALL OF THE DUTIES,

COVENANTS, LIABILITIES AND OTHER OBLIGATIONS OF SELLER UNDER THE OPERATING AGREEMENT, WHETHER ARISING BEFORE OR AFTER THE EFFECTIVE TIME. SELLER AND ITS AFFILIATES SHALL BE RELEASED FROM ALL OF ITS RESPECTIVE OBLIGATIONS UNDER THE OPERATING AGREEMENT WHETHER ARISING BEFORE OR AFTER THE EFFECTIVE TIME, AND AS A RESULT OF SUCH RELEASE OF SELLER BY PURCHASER AND THE TRANSFER, IT IS UNDERSTOOD AND AGREED THAT AS OF THE EFFECTIVE TIME, SELLER SHALL NO LONGER BE A MEMBER OF, NOR HAVE ANY INTEREST OR RIGHTS TO PARTICIPATE IN, COMPANY. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING ASSUMPTION AND RELEASE SHALL NOT PRECLUDE PURCHASER FROM HAVING THE RIGHT TO SUE FOR ANY BREACH BY SELLER OF ITS REPRESENTATIONS, WARRANTIES OR COVENANTS CONTAINED HEREIN.

3. Recognition of Transfer by Company. Company hereby consents to and recognizes the Transfer. Purchaser shall file this Agreement with the records of Company following the Closing Date.

4. Representations and Warranties of Seller and Company. Seller and Company represents and warrants to Purchaser, as of the Effective Time and the Closing Date, that:

- a. Organization. Each of Seller and Company is a limited liability company duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation. Company is duly licensed, qualified or otherwise authorized to conduct business and is in good standing under the Laws of each jurisdiction in which it carries on business or owns assets and such qualification is required by Law.
- b. Authority. Each of Seller and Company has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by each of Seller and Company, and the performance of all obligations hereunder, have been duly authorized by all necessary action. Company has all requisite power and authority to own and operate its property and to carry on its business as presently conducted by it.
- c. Enforceability. This Agreement has been duly and validly executed and delivered by each of Seller and Company and, assuming due execution and delivery of this Agreement by the other Parties, constitutes the binding obligation of each of Seller and Company enforceable against Seller and Company in accordance with its terms.
- d. No Conflict. The execution, delivery, and performance of this Agreement by each of Seller and Company will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of law to which Seller, Company or any of their Affiliates is subject, (ii) violate any arbitration or mediation protocol, order, judgment, or decree applicable to Seller or Company or any of their Affiliates is subject, (iii) conflict with, result in a breach or default under, or accelerate or permit the acceleration of the performance required by any term or

condition of the applicable Organizational Documents of Seller or Company or any of their Affiliates or any material Contract to which Seller or Company or any of their Affiliates is subject, a party to or bound by, or (iv) result in the creation or imposition of any Encumbrance upon any property of Company or the Membership Interests. Except as provided in the Operating Agreement, no consent, approval, authorization or order of any court or Governmental Authority or of any third party is required in connection with the execution, delivery and performance by Seller or Company of this Agreement.

- e. Brokers' Fees. Neither of Seller nor Company nor any of their Affiliates has employed or retained any broker, agent or finder in connection with this Agreement or the transactions contemplated herein, or paid or agreed to pay any brokerage fee, finder's fee, commission or similar payment to any person on account of this Agreement or the transactions provided for herein, which fee, commission or payment will constitute an obligation payable by Purchaser or any other Party; and Seller shall indemnify and hold harmless Purchaser from any costs, including attorneys' fees, and liability arising from the claim of any broker, agent or finder employed or retained by Seller in connection with this Agreement.
- f. Operating Agreement. Prior to the date hereof, Seller has provided to Purchaser true, correct and complete copies of the Organizational Documents of Company, including the Operating Agreement, together with all amendments thereto.
- g. Title to Membership Interests. Seller owns beneficially and of record all of the issued and outstanding membership interests in Company. The Membership Interests constitute all of the issued and outstanding equity interests in Company that are owned by Seller or any of its Affiliates. The Membership Interests (i) are duly authorized, validly issued, fully paid and nonassessable; (ii) are free and clear of all Encumbrances (other than restrictions imposed on transfer under applicable federal and/or state securities Laws or regulations); (iii) are not subject to any agreements or understandings among any Persons with respect to the voting or transfer thereof; and (iv) other than this Agreement, are not subject to any outstanding subscriptions, options, convertible securities, warrants, calls or other securities granting rights to purchase or otherwise acquire any of such Membership Interests or any commitments or agreements of any character obligating Seller to transfer, redeem or exchange any of such Membership Interests or the beneficial interest thereto. Company does not have, or has never had, any subsidiaries or direct or indirect equity interest in any Person. Company has not made any distribution to any member from an after January 1, 2017.
- h. Anti-Bribery. In relation to the transactions the subject of this Agreement, neither Seller, Company nor any of their Related Parties has made, offered or authorized or will make, offer or authorize any payment, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Government Official or any entity or other person where such payment, gift, promise or other advantage would (i) comprise a Facilitation Payment; or

- (ii) violate the Anti-Bribery and Money-Laundering Laws and Obligations or any other applicable Law.
- i. Litigation. There are no Proceedings pending, threatened in writing, or, to Seller's Knowledge, threatened orally by any Person against Seller or its Affiliates with respect to (i) the Membership Interests, and/or (ii) other than any Proceedings to which Purchaser or its Affiliates is a party thereto, Company or the assets held by Company.
 - j. Contracts. To Seller's Knowledge, except as set forth on Schedule 1, Company is not a party to any Contract other than Contracts to which Purchaser or one of its Affiliates is a party thereto or has Knowledge thereof. Company is, and to Seller's Knowledge, each counterparty thereto (other than Purchaser or its Affiliates) is, in material compliance with, and not in default in any material respect under, any Contract to which Company is a party.
 - k. Taxes. (i) All Tax Returns required to be filed by Company have been timely filed and all such Tax Returns are true, correct and complete in all material respects; (ii) all Taxes due and payable by Company have been paid whether or not shown as due on such Tax Returns; (iii) there are no Encumbrances on any of the assets held by Company that arose in connection with the failure to pay any Tax by Company; (iv) there are no Proceedings, Claims or notices of deficiency pending against or threatened in writing against Company in connection with any unpaid Tax; (v) no Tax Returns of Company are under audit or examination by any Governmental Authority; (vi) there are no agreements or waivers currently in effect that provide for an extension of time with respect to the filing of any Tax Return by Company or the assessment or collection of any Tax from Company; (vii) no written claim has been made by any Governmental Authority in a jurisdiction where Company did not file a Tax Return or pay a Tax directly that it is or may be required to file such a Tax Return or pay such a Tax (as the case may be) in that jurisdiction; and (viii) other than the "EXCO-BG Appalachia Tax Partnership," none of the assets of Company is subject to any tax partnership agreement or provisions requiring a partnership income tax return to be filed under Subchapter K of Chapter 1 of Subtitle A of the Code or any similar state statute.
 - l. Compliance with Laws. To Seller's and Company's Knowledge, Company is not, and during the past three years has not been, in material violation of any applicable Laws.
 - m. Environmental Matters. To Seller's Knowledge, with respect to any assets owned by Company other than Development Assets: (i) Company has, and for the past three years has had, all material Environmental Permits required for the ownership or operation of such assets; (ii) Company is not in default in any material respect under any material Environmental Permit; and (iii) Company is not subject to any pending Proceeding related to such assets, whether judicial or administrative, alleging any noncompliance in any material respect with, or

potential material liability under, any Environmental Law or any release or any Hazardous Substance.

- n. Indebtedness. Company does not have any Indebtedness from or to any other Person, and/or has not made any guarantees for the benefit of any Person.
 - o. Bank Accounts; Powers of Attorney. There are no bank accounts or investment accounts maintained by Company as of the Closing Date and there are no valid powers of attorney issued by Company that remain in effect following the Closing Date, other than powers of attorney for which Purchaser has consented in writing to remain outstanding.
 - p. Scope of Activities. Except in connection with the assets associated with the Contracts set forth on Schedule 1, Company (i) does not own any property or assets other than property and assets that are subject to that certain Joint Development Agreement, dated as of June 1, 2010, by and among Company, certain Affiliates of Seller, Purchaser and certain Affiliates of Purchaser (as amended from time to time, including pursuant to that certain Amendment to the Joint Development Agreement (Appalachia), dated October 14, 2014, the “JDA”) or (ii) has not conducted any business other than the business of owning and operating its assets that are subject thereto.
 - q. Employees; Employee Benefits. Company does not currently have, and has never had, any employees, consultants or other individual service providers, and Company has not extended any offer of employment or service to any employee or other individual service provider that is outstanding as of the Closing Date. Company does not maintain or administer, or has never maintained or administered, or does not have any liability or obligation (whether contingent or otherwise) under, any Employee Benefit Plan, and Company does not have any commitment to create or adopt any Employee Benefit Plan.
5. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller, as of the Effective Time and the Closing Date, that:
- a. Organization. Purchaser is a limited liability company duly formed, validly existing and in good standing under the Laws of the jurisdiction of its formation. Purchaser is duly licensed, qualified or otherwise authorized to conduct business and is in good standing under the Laws of each jurisdiction in which it carries on business or owns assets and such qualification is required by Law.
 - b. Authority. Purchaser has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by Purchaser, and the performance of all obligations hereunder, have been duly authorized by all necessary action. Purchaser has all requisite power and authority to own and operate its property and to carry on its business as presently conducted by it.

- c. Enforceability. This Agreement has been duly and validly executed and delivered by Purchaser and, assuming due execution and delivery of this Agreement by the other Parties, constitutes the binding obligation of Purchaser enforceable against Purchaser in accordance with its terms.
 - d. No Conflict. The execution, delivery, and performance by Purchaser of this Agreement will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of law to which Purchaser or its Affiliates is subject, (ii) violate any arbitration or mediation protocol, order, judgment, or decree applicable to Purchaser or its Affiliates, or (iii) conflict with, result in a breach or default under, or accelerate or permit the acceleration of the performance required by any term or condition of its Organizational Documents or any material Contract to which Purchaser or its Affiliates is subject, a party to or bound by. No consent, approval, authorization or order of any court or Governmental Authority or of any third party is required in connection with the execution, delivery and performance by Purchaser of this Agreement.
 - e. Brokers' Fees. Neither Purchaser nor any of its Affiliates has employed or retained any broker, agent or finder in connection with this Agreement or the transactions contemplated herein, or paid or agreed to pay any brokerage fee, finder's fee, commission or similar payment to any person on account of this Agreement or the transactions provided for herein, which fee, commission or payment will constitute an obligation payable by Seller; and Purchaser shall indemnify and hold harmless Seller from any costs, including attorneys' fees, and liability arising from the claim of any broker, agent or finder employed or retained by Purchaser in connection with this Agreement.
 - f. Anti-Bribery. In relation to the transactions the subject of this Agreement, neither the Purchaser nor any of its Related Parties has made, offered or authorized or will make, offer or authorize any payment, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Government Official or any entity or other person where such payment, gift, promise or other advantage would (i) comprise a Facilitation Payment; or (ii) violate the Anti-Bribery and Money-Laundering Laws and Obligations or any other applicable Law.
6. Disclaimer.
- a. Except as and to the limited extent expressly set forth in this Agreement, (i) each of Seller, Purchaser and Company make no representations or warranties, express or implied, and (ii) each of Seller, Purchaser and Company expressly disclaim all liability and responsibility for any representation, warranty, statement or information made or communicated (orally or in writing) to the other Parties.
 - b. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS EXPRESSLY REPRESENTED OTHERWISE IN THIS AGREEMENT, SELLER MAKES NO AND EXPRESSLY DISCLAIMS ANY

REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO (I) TITLE TO THE MEMBERSHIP INTERESTS, OR (II) ANY ESTIMATES OF THE VALUE OF THE MEMBERSHIP INTERESTS OR FUTURE REVENUES GENERATED BY THE MEMBERSHIP INTERESTS, IT BEING EXPRESSLY UNDERSTOOD AND AGREED BY THE PARTIES HERETO THAT PURCHASER SHALL BE DEEMED TO BE OBTAINING THE MEMBERSHIP INTERESTS IN THEIR PRESENT CONDITION, "AS IS" AND "WHERE IS" WITH ALL FAULTS AND DEFECTS. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING DISCLAIMER SHALL NOT PRECLUDE PURCHASER FROM HAVING THE RIGHT TO SUE FOR ANY BREACH BY SELLER OF ITS REPRESENTATIONS, WARRANTIES OR COVENANTS CONTAINED HEREIN.

7. Covenants.

- a. Releases. Effective as of the Effective Time, each Party, on behalf of itself and its Affiliates, hereby unconditionally and irrevocably and forever releases and discharges the other Parties and their respective Affiliates, and their respective successors and assigns, and any present or former directors, managers, officers, employees or agents of such Party (each, a "Released Party"), of and from, and hereby unconditionally and irrevocably waives, any and all Claims, debts and liabilities of any kind or character whatsoever, known or unknown, suspected or unsuspected, in contract, direct or indirect, at Law or in equity that such Party (or any of its Affiliates) ever had, now has or ever may have or claim to have against any Released Party, for or by reason of any matter, circumstance, event, action, inaction, omission, cause or thing whatsoever, in each instance, arising prior to the Effective Time and related to the Company, the Company's assets or the transactions contemplated by this Agreement, other than Claims (if any) related to (i) a breach by any Party of either (A) its respective representations, warranties or covenants contained herein or (B) the terms of the Operative Documents (as defined in the Settlement Agreement) and/or (ii) any claims by any Party or its Affiliates with respect to matters relating to assets lying outside the AMI Area (as defined in the Settlement Agreement).
- b. Records. As soon as reasonably practicable (and in no event later than five days following the Closing Date), Seller shall provide to Purchaser electronic copies of the files (including lease files, land files, wells files, division order files, abstracts, title files, engineering and/or production files), records (including corporate minute books and records and Tax and accounting records), data and maps of Company (collectively, the "Records") that are in the possession of Seller or any of its Affiliates and that were not provided to Seller or any of its Affiliates by Purchaser or its Affiliates. No later than 30 days following the Closing Date, Seller shall provide to Purchaser hard copies of the Records in the possession of Seller or any of its Affiliates and that were not provided to Seller or any of its Affiliates by Purchaser or its Affiliates.

- c. Rights of Ownership of Membership Interests. From and after the Closing Date, Purchaser shall be entitled to all of the rights of ownership attributable to the Membership Interests (including the right to all production, proceeds of production and other proceeds) prior to, on or after the Effective Time. If Seller (or any of its Affiliates) receives monies belonging to Company or the Purchaser, including proceeds of production, then such amount shall, within five Business Days after the end of the month in which such amounts were received, be paid over to the proper party.
 - d. Change of Name. As promptly as practicable following the Closing Date, but in any event within 60 days following the Closing Date, Purchaser shall cause Company's name to be changed to remove any reference to "BG".
8. Limitation on Liability. In no event shall any Party be liable to the other Parties for punitive, exemplary, consequential, or special damages (except where such damages constitute part of a claim of a third person which is indemnified pursuant to the provisions of this Agreement).
9. Investment Intent of Purchaser. Purchaser acknowledges that the Membership Interests have not been, and will not be, registered under the Securities Act of 1933, as amended, or under any state securities laws, and is being sold in reliance upon federal and state exemptions for transactions not involving any public offering. Purchaser is a sophisticated investor with knowledge and experience in business and financial matters.
10. Post-Closing Obligations.
- a. Taxes Generally. Seller agrees to prepare or make the requisite filings to reflect the Transfer under the Code. Seller will pay the Taxes incurred by it, if any, associated with the Transfer based on the tax effects as the transferor to the Transfer according to the Code and its corporate guidelines. Purchaser will pay the Taxes incurred by it, if any, associated with the Transfer based on the tax effects as the transferee to the Transfer according to the Code and its corporate guidelines.
 - b. Tax Returns. With respect to Tax Returns required to be filed with by Company, Seller shall prepare or cause to be prepared all such Tax Returns that are required to be filed prior to the Closing Date and shall pay all Taxes shown to be due on such Tax Returns. Purchaser shall prepare all Tax Returns that are required to be filed with respect to Company on or after the Closing Date and shall pay all Taxes shown to be due on such Tax Returns.
 - c. Cooperation on Tax Matters. In connection with the preparation of any Company Tax Returns, payment of Taxes related to Company, audit examinations related to Company, and any administrative or judicial proceedings regarding Tax liabilities that are imposed on Seller or Purchaser and related to Company, Seller and Purchaser shall, and shall cause Company to, cooperate fully with each other, including with respect to the furnishing or making available during normal

business hours of records, personnel (as reasonably required), books of account, powers of attorney or other materials necessary or helpful for the preparation of such Company Tax Returns, the payment of such Taxes, the conduct of such audit examinations or the defense of Claims by Governmental Authorities as to the imposition of such Taxes.

- d. Tax Characterization. The Parties agree that for U.S. federal income tax purposes and for purposes of state income taxes that follow U.S. federal income tax principles, the transactions herein, taken together with the transactions contemplated by the Settlement Agreement shall be treated in a manner consistent with the principles of Revenue Ruling 99-6, 1999-1 C.B. 432. Accordingly, (i) Seller shall be treated as transferring the its interests in the “EXCO-BG Appalachia Tax Partnership” in satisfaction of the Claims, and (ii) Purchaser shall be treated as receiving a proportionate share of the assets of the “EXCO-BG Appalachia Tax Partnership.”

11. Resignation of Officers. Simultaneously with the execution and delivery of this Agreement, Seller shall deliver resignations, effective immediately following the Closing Date, of all of the officers, directors and managers of Company.

12. Miscellaneous.

- a. Effect of Waiver or Consent. Any failure by any Party or Parties to comply with any of its or their obligations, agreements or conditions herein contained may be waived by the Party or Parties to whom such compliance is owed by an instrument signed by any such Party or Parties and expressly identified as a waiver, but not in any other manner. No waiver of, or consent to a change in, any of the provisions of this Agreement shall be deemed or shall constitute a waiver of, or consent to a change in, other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in writing.
- b. Amendment. This Agreement may be amended or modified only by an agreement in writing executed by all Parties and expressly identified as an amendment or modification.
- c. Successors and Assigns. Neither this Agreement nor any rights, interest, obligations or other parts hereof shall be assignable by any Party without the prior written consent of the other Parties, which consent may be denied in such other Party’s sole discretion. Any assignment in violation of this provision shall be void. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit of and be enforceable by the Parties hereto and their respective successors and assigns.
- d. Governing Law. EXCEPT TO THE EXTENT THE LAWS OF ANOTHER JURISDICTION WILL GOVERN UNDER CONFLICT OF LAWS PRINCIPLES GOVERNING TRANSFERS OF ASSETS LOCATED IN SUCH

OTHER JURISDICTION, THIS AGREEMENT AND THE LEGAL RELATIONS AMONG THE PARTIES SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

- e. Dispute Resolution. The sole and exclusive forum for any disputes arising out of or relating to this Agreement, including, but not limited to, any disputes involving questions of breach, termination, or validity of this Agreement, shall be finally resolved by arbitration in Houston, Texas. The arbitration shall be conducted in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration (“CPR”) Rules. The CPR is the appointing authority. The resulting arbitral award shall be final and binding without right of appeal, and judgment upon such award may be entered in any court having jurisdiction thereof.
- f. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.
- g. Further Assurances. In the event that at any time any further action is necessary to carry out the purposes of this Agreement, the Parties shall take such further action (including the execution and delivery of such further documents and instruments) as any Party may reasonably request.
- h. Counterparts; Facsimile. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one agreement. The Parties agree that any document or signature delivered by facsimile transmission, by PDF through electronic mail, or other electronic means shall be deemed an original executed document for all purposes hereof.
- i. Press Releases. No Party shall (and each shall cause its Affiliates not to) issue any press release or make any statement to the general public relating to the subject matter of this Agreement unless such Party has first consulted with the other Parties and obtained the other Parties’ prior written approval of the text thereof; *provided, however*, that nothing herein shall prevent a Party from publishing such press releases or other statement to the general public as is necessary to satisfy such Party’s obligations at Law or under the applicable rules of any stock or commodities exchange or any court after consultation with the other Parties and such other Parties’ reasonable review and comment.
- j. Certain Definitions. The following terms, as used herein, have the meanings set forth below:

“Affiliate” or “Affiliate” mean, with respect to any Party, any corporation, partnership (including a limited partnership), limited liability company, or other legal entity that directly or indirectly controls, is controlled by or is under common control with such Party; where “control” means the ability to direct the management and policies of a Person through ownership of voting shares or other equity rights, pursuant to a written agreement, or otherwise. The terms “Controls” and “Controlled by” and other derivatives shall be construed accordingly.

“Anti-Bribery and Money-Laundering Laws and Obligations” means (a) the laws relating to combating bribery and corruption, and/or the principles described in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed in Paris on December 17, 1997, which entered into force on February 15, 1999, and the Convention’s Commentaries; (b) the laws relating to combating bribery, corruption and money laundering in the countries of the applicable Person’s place of incorporation, principal place of business, and/or place of registration as an issuer of securities, and/or in the countries of the applicable Person’s ultimate parent company’s place of incorporation, principal place of business, and/or place of registration as an issuer of securities; (c) the United States Foreign Corrupt Practices Act of 1977; (d) the United Kingdom Bribery Act 2010 (as amended from time to time); and (e) and all other applicable national, regional, provincial, state, municipal or local laws and regulations that prohibit the bribery of, or the providing of unlawful gratuities, facilitation payments or other benefits to, any Government Official or any other person.

“Business Day” means any day that is not a Saturday, Sunday or legal holiday in the State of Texas and that is not otherwise a federal holiday in the United States.

“Claims” means any and all claims, demands, loss, liability, liens, judgments, settlements, suits, causes of action, fines, penalties, compliances, costs, and any costs, expenses and fees associated with the investigation, defense and resolution of the foregoing, including without limitation, reasonable attorney’s fees, asserted or prosecuted by or on behalf of a third party. Claims may be based on any theory of tort, contract, strict liability, statutory liability (including, without limitation, fines, penalties, obligations or requirements) or any other basis for liability and shall include, without limitation, any Claims arising, occurring or resulting from, related to or based on the injury, disease, or death of any persons or damage to, loss or destruction of any property, real or personal.

“Closing Date” has the meaning set forth in that certain Agreement Regarding Settlement by and among Purchaser, certain Affiliates of Purchaser, Seller and certain Affiliates of Seller.

“Code” means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“Contract” means any written or oral contract, agreement, purchase order, binding bid, commitment or any other legally binding arrangement, but excluding, however, any lease, deed, easement, Permit or other instrument (other than acquisition or similar sales or purchase agreements) creating, assigning or evidencing an interest in any real property related to or used in connection with the assets of any of Company.

“Development Assets” has the meaning set forth in the JDA.

“Employee Benefit Plan” means (a) any “employee benefit plan” (as such term is defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, or any similar plan subject to laws of a jurisdiction outside of the United States), (b) any employment, consulting, advisor or other service agreement or arrangement, (c) any noncompetition, nondisclosure, nonsolicitation, severance, termination, pension, retirement, supplemental retirement, excess benefit, profit sharing, bonus, incentive, deferred compensation, retention, transaction, change in control and similar plan, program, arrangement, agreement, policy or commitment, (d) any compensatory option, restricted unit, performance unit, appreciation right, deferred unit or other equity or equity-based plan, program, arrangement, agreement, policy or commitment, and (e) any savings, life, health, disability, accident, medical, dental, vision, cafeteria, insurance, flex spending, adoption/dependent/employee assistance, tuition, vacation, paid-time-off, other welfare fringe benefit and any other employee benefit plan, program or arrangement.

“Encumbrance” means any liens, pledges, mortgages, deeds of trust, security interests, leases, licenses, charges, Claims, encroachments, easements or other encumbrances of any kind.

“Environmental Law” means any and all Laws in effect as of the Closing Date pertaining to or regulating pollution, environmental protection, natural resource damages, conservation of resources, wildlife, waste management, or the use, storage, generation, production, treatment, emission, discharge, release, remediation, removal, disposal, or transport of Hazardous Substances, including: the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Federal Water Pollution Control Act (which includes the Federal Clean Water Act), the Federal Clean Air Act, the Federal Solid Waste Disposal Act (which includes the Resource Conservation and Recovery Act), the Federal Toxic Substances Control Act, the Federal Insecticide, Fungicide and Rodenticide Act, the Safe Drinking Water Act of 1974, the Emergency Planning and Community Right-to-Know Act of 1986, the Occupational Safety and Health Act of 1970, the Hazardous Liquid Pipeline Safety Act, the Oil Pollution Act of 1990, and the Pipeline Safety Improvement Act of 2002, and similar state laws, each as amended.

“Environmental Permits” means all Permits of Governmental Authorities issued pursuant to or required by Environmental Laws and necessary for or held in connection with the ownership and/or operation of the assets of Company (other than the Development Assets).

“Facilitation Payments” means payments to a Government Official to facilitate or expedite performance of a routine governmental action which is an action which is commonly performed by such Government Official.

“Government Official” means (a) any official or employee of any government, or any agency, ministry, department of a government (at any level), person acting in an official capacity for a government regardless of rank or position, official or employee of a company wholly or partially controlled by a government (for example, a state owned oil company), political party and any official of a political party; and (b) any candidate for political office, any officer or employee of a public international organization, such as the United Nations or the World Bank, or any immediate family member (meaning a spouse, dependent child or household member) of any of the foregoing.

“Governmental Authority” means any federal, state, county, municipal or local government or any regulatory or administrative agency, department, division, commission, court or arbitral body, or other similar recognized organization or body of any federal, state, tribal, municipal, or local governmental authority or of any foreign government or other similar recognized organization or body exercising similar powers or authority.

“Hazardous Substances” means any substance, waste, or material that is defined, designated, or listed as a “hazardous substance,” “hazardous waste,” or “toxic substance” under Environmental Laws.

“Indebtedness” of any Person means, without duplication, (a) the principal of and, accrued and unpaid interest, prepayment premiums or penalties and fees and expenses in respect of indebtedness of such Person for borrowed money; (b) all obligations (contingent or otherwise) of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable incurred in the ordinary and usual course of business of normal day-to-day operations of the business consistent with past practice); (c) all capitalized lease obligations; (d) all obligations of the type referred to in clauses (a) through (c) of any Persons the payment of which such Person is responsible or liable, directly or indirectly, as obligor, guarantor, surety or otherwise; and (e) all obligations of the type referred to in clauses (a) through (d) of other Persons secured by any Encumbrance on any property or asset of such Person (whether or not such obligation is assumed by such Person).

“Known/Knowledge” whenever a statement regarding the existence (or absence) of any fact in this Agreement is qualified by a phrase such as “to such Party’s Knowledge”, “Known to such Party,” “has Knowledge” or “had actual Knowledge” or any similar qualification, the Parties intend that the only information to be attributed to such Party is information actually known to (i) the person in the case of an individual or (ii) in the case of a corporation (or other business entity), the current officer and/or manager who devotes substantial attention to matters of such nature during the ordinary course of his or her employment after due inquiry to all Person reporting to such officer or manager. Except as provided in the preceding sentence and unless otherwise specifically provided elsewhere in this Agreement, no Party is represented or obligated to have undertaken a separate investigation in connection with the transaction contemplated in this Agreement to determine the existence (or absence) of any statement or representation qualified by a phrase such as “to such Party’s Knowledge”, “Known to such Party” or “had actual Knowledge” or similar qualification.

“Law” means any applicable statute, writ, law, common law, rule, regulation, ordinance, order, or determination of a Governmental Authority, or any requirement under the common law.

“Organizational Documents” means any charter, certificate of incorporation, articles of association, partnership agreements, limited liability company agreements, bylaws, operating agreements or similar formation or governing documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of a Person, including any amendments thereto.

“Permit” means any permit, license, registration, consent, order, approval, variance, exemption, waiver, franchise, right or other authorization required by or obtained from any Governmental Authority, including for the use, withdrawal, storage, discharge, treatment, injection or disposal of water.

“Person” means any individual, firm, corporation, partnership, limited liability company, incorporated or unincorporated association, joint venture, joint stock company, Governmental Authority or other entity of any kind.

“Proceeding” means any action, arbitration, audit, cause, complaint, charge, hearing, inquiry, investigation, litigation, proceeding, review or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before any Governmental Authority or arbitrator.

“Related Parties” means in relation to a Party: (a) any of its Affiliates; (b) any person employed by that Party or its Affiliates; (c) any director or other officer of that Party or its Affiliates; and (d) any person or entity acting for or on behalf of that Party or its Affiliates.

“Tax” and “Taxes” means all taxes, assessments, charges, duties, fees, levies, imposts or other similar charges imposed by a Governmental Authority, including all income, franchise, profits, capital gains, capital stock, transfer, gross receipts, sales, use, transfer, service, occupation, ad valorem, property, excise, severance, windfall profits, premium, stamp, license, payroll, employment, social security, unemployment, disability, environmental, alternative minimum, add-on, value-added, withholding and other taxes, assessments, charges, duties, fees, levies, imposts or other similar charges of any kind, and all estimated taxes, deficiency assessments, additions to tax, penalties and interest, whether disputed or not and including any obligation to indemnify or otherwise assume or succeed to the foregoing liabilities of any other Person by Law, by Contract or otherwise.

“Tax Returns” means any report, return, election, document, estimated tax filing, declaration or other filing provided to any Governmental Authority including any attachments thereto and amendments thereof.

[Signature page follows.]

IN WITNESS WHEREOF each of the Parties has executed this Agreement to be effective as of the Effective Time.

SELLER:

BG US PRODUCTION COMPANY, LLC

Name:

Title:

COMPANY:

BG PRODUCTION COMPANY (PA), LLC

Name:

Title:

PURCHASER:

EXCO PRODUCTION COMPANY (PA), LLC

Name: Harold L. Hickey

Title: Chief Executive Officer & President

Schedule 1
Certain Contracts

1. Joint Operating Agreement dated June 1, 2017, by and between ARD Operating, LLC and BG Production Company (PA), LLC, covering the Alden Evans Prospect Unit.
2. Well proposal dated August 16, 2017, by and between ARD Operating, LLC and BG Production Company (PA), LLC, covering the Alden Evans A-202H well.
3. Joint Operating Agreement dated June 1, 2017, by and between ARD Operating, LLC and BG Production Company (PA), LLC, covering the MAC North Contract Area.
4. Well proposal dated July 28, 2017, by and between ARD Operating, LLC and BG Production Company (PA), LLC, covering the MAC North A-201H well.
5. Joint Operating Agreement dated June 1, 2017, by and between ARD Operating, LLC and BG Production Company (PA), LLC, covering the Brooks Family Contract Area.
6. Well proposal dated November 6, 2017, by and between ARD Operating, LLC and BG Production Company (PA), LLC, covering the Brooks Family A-201H well.
7. Well proposal dated November 6, 2017, by and between ARD Operating, LLC and BG Production Company (PA), LLC, covering the Brooks Family A-202H well.
8. Well proposal dated August 18, 2017, by and between ARD Operating, LLC and BG Production Company (PA), LLC, covering the Brooks Family A-203H well.
9. Confidentiality Agreement dated February 14, 2011, by and between BG Production Company (PA), LLC and Hanley & Bird, Inc.
10. Natural Gas Marketing Agreement dated July 19, 2013, by and between Anadarko E&P Onshore, LLC and BG Production Company (PA), LLC, regarding wells from the H. Lyle Landon unit.
11. Natural Gas Marketing Agreement dated August 30, 2013, by and between Anadarko E&P Onshore, LLC and BG Production Company (PA), LLC, regarding wells from the Ann C. Good unit.
12. Letter Agreement dated January 16, 2015, by and between BG Production Company (PA), LLC and Inflection Energy (PA), LLC covering certain assets located within Lycoming County, Pennsylvania.
13. Letter Agreement dated January 16, 2015, by and between BG Production Company (PA), LLC and Inflection Energy (PA), LLC covering certain marketing arrangement for wells attached as Exhibit A to the Agreement.

14. Amendment and Ratification of Operating Agreement dated effective April 1, 2014, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the Allegheny Ridge Unit.
15. Amendment and Ratification of Operating Agreement dated effective August 1, 2014, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the Beagle Club Unit.
16. Amendment and Ratification of Operating Agreement dated effective April 23, 2015, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the Chaapel Mountain South Unit.
17. Amendment and Ratification of Operating Agreement dated effective August 1, 2014, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the Farragut Mountain Unit.
18. Amendment and Ratification of Operating Agreement dated effective April 1, 2014, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the Green Hollow Unit.
19. Amendment and Ratification of Operating Agreement dated effective September 1, 2013, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the Heilman Unit.
20. Amendment and Ratification of Operating Agreement dated effective December 1, 2014, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the Lick Run Unit.
21. Amendment and Ratification of Operating Agreement dated effective August 1, 2014, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the Little Mill Creek Unit.
22. Amendment and Ratification of Operating Agreement dated effective December 1, 2014, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the Pheasant Farm Unit.
23. Amendment and Ratification of Operating Agreement dated effective April 1, 2017, by and between Inflection Energy (PA), LLC and BG Production Company (PA), LLC, covering the State Game Land Unit.

EXHIBIT E

MEMBERSHIP INTEREST (BG WV) TRANSFER AGREEMENT

MEMBERSHIP INTEREST (BG WV) TRANSFER AGREEMENT

THIS MEMBERSHIP INTEREST (BG WV) TRANSFER AGREEMENT (this “Agreement”) is entered into as of the Closing Date (as defined below), but is effective for all purposes as of 11:59 p.m. on November 30, 2017 (the “Effective Time”), by and among BG US Production Company, LLC, a Delaware limited liability company (“Seller”), BG Production Company (WV), LLC, a Delaware limited liability company (“Company”), and EXCO Production Company (WV), LLC, a Delaware limited liability company (the “Purchaser”). Each of Seller, Company and Purchaser may be referred to as a “Party” or together, as the “Parties.” Capitalized terms not otherwise defined herein, including in Section 12, shall have the meanings attributed to them in the Amended and Restated Operating Agreement of Company dated June 1, 2010 (as amended, the “Operating Agreement”).

RECITALS

WHEREAS, Seller is the sole member in Company;

WHEREAS, the business and affairs of Company are governed by the Operating Agreement;

WHEREAS, Seller owns 100% of the issued and outstanding membership interests in Company (the “Membership Interests”);

WHEREAS, Purchaser, certain Affiliates of Purchaser, Company, and certain Affiliates of Seller are entering or have entered into that certain Settlement Agreement and Mutual Release, dated as of the Closing Date (the “Settlement Agreement”); and

WHEREAS, in accordance with the Settlement Agreement, Seller will sell and Purchaser will purchase all of Seller’s right, title, and interest in and to all of the Membership Interests upon the terms and subject to the conditions set forth herein in return for the consideration specified herein.

NOW, THEREFORE, in consideration of the mutual representations, covenants and agreements contained herein and in the Settlement Agreement and other good and valuable consideration set forth herein and in the Settlement Agreement, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties to this Agreement hereby agree as follows:

1. Transfer and Assignment. Subject to all of the terms of this Agreement, Seller shall transfer the Membership Interests to Purchaser effective as of the Effective Time.
2. Assignment and Assumption; Agreement to be Bound; No Longer Member. For and in consideration of agreed value, the receipt and sufficiency of which is hereby acknowledged, Seller hereby sells, conveys, assigns, transfers and delivers to Purchaser, free and clear of all Encumbrances, all of its right, title and interest in and to the Membership Interests, and Purchaser hereby takes and accepts such assignment and transfer, in each case, effective as of the Effective Time (the “Transfer”). PURCHASER HEREBY AGREES TO ASSUME, ACCEPT AND TIMELY PERFORM AND DISCHARGE ANY AND ALL OF THE DUTIES,

COVENANTS, LIABILITIES AND OTHER OBLIGATIONS OF SELLER UNDER THE OPERATING AGREEMENT, WHETHER ARISING BEFORE OR AFTER THE EFFECTIVE TIME. SELLER AND ITS AFFILIATES SHALL BE RELEASED FROM ALL OF ITS RESPECTIVE OBLIGATIONS UNDER THE OPERATING AGREEMENT WHETHER ARISING BEFORE OR AFTER THE EFFECTIVE TIME, AND AS A RESULT OF SUCH RELEASE OF SELLER BY PURCHASER AND THE TRANSFER, IT IS UNDERSTOOD AND AGREED THAT AS OF THE EFFECTIVE TIME, SELLER SHALL NO LONGER BE A MEMBER OF, NOR HAVE ANY INTEREST OR RIGHTS TO PARTICIPATE IN, COMPANY. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING ASSUMPTION AND RELEASE SHALL NOT PRECLUDE PURCHASER FROM HAVING THE RIGHT TO SUE FOR ANY BREACH BY SELLER OF ITS REPRESENTATIONS, WARRANTIES OR COVENANTS CONTAINED HEREIN.

3. Recognition of Transfer by Company. Company hereby consents to and recognizes the Transfer. Purchaser shall file this Agreement with the records of Company following the Closing Date.

4. Representations and Warranties of Seller and Company. Seller and Company represents and warrants to Purchaser, as of the Effective Time and the Closing Date, that:

- a. Organization. Each of Seller and Company is a limited liability company duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation. Company is duly licensed, qualified or otherwise authorized to conduct business and is in good standing under the Laws of each jurisdiction in which it carries on business or owns assets and such qualification is required by Law.
- b. Authority. Each of Seller and Company has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by each of Seller and Company, and the performance of all obligations hereunder, have been duly authorized by all necessary action. Company has all requisite power and authority to own and operate its property and to carry on its business as presently conducted by it.
- c. Enforceability. This Agreement has been duly and validly executed and delivered by each of Seller and Company and, assuming due execution and delivery of this Agreement by the other Parties, constitutes the binding obligation of each of Seller and Company enforceable against Seller and Company in accordance with its terms.
- d. No Conflict. The execution, delivery, and performance of this Agreement by each of Seller and Company will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of law to which Seller, Company or any of their Affiliates is subject, (ii) violate any arbitration or mediation protocol, order, judgment, or decree applicable to Seller or Company or any of their Affiliates is subject, (iii) conflict with, result in a breach or default under, or accelerate or permit the acceleration of the performance required by any term or

condition of the applicable Organizational Documents of Seller or Company or any of their Affiliates or any material Contract to which Seller or Company or any of their Affiliates is subject, a party to or bound by, or (iv) result in the creation or imposition of any Encumbrance upon any property of Company or the Membership Interests. Except as provided in the Operating Agreement, no consent, approval, authorization or order of any court or Governmental Authority or of any third party is required in connection with the execution, delivery and performance by Seller or Company of this Agreement.

- e. Brokers' Fees. Neither of Seller nor Company nor any of their Affiliates has employed or retained any broker, agent or finder in connection with this Agreement or the transactions contemplated herein, or paid or agreed to pay any brokerage fee, finder's fee, commission or similar payment to any person on account of this Agreement or the transactions provided for herein, which fee, commission or payment will constitute an obligation payable by Purchaser or any other Party; and Seller shall indemnify and hold harmless Purchaser from any costs, including attorneys' fees, and liability arising from the claim of any broker, agent or finder employed or retained by Seller in connection with this Agreement.
- f. Operating Agreement. Prior to the date hereof, Seller has provided to Purchaser true, correct and complete copies of the Organizational Documents of Company, including the Operating Agreement, together with all amendments thereto.
- g. Title to Membership Interests. Seller owns beneficially and of record all of the issued and outstanding membership interests in Company. The Membership Interests constitute all of the issued and outstanding equity interests in Company that are owned by Seller or any of its Affiliates. The Membership Interests (i) are duly authorized, validly issued, fully paid and nonassessable; (ii) are free and clear of all Encumbrances (other than restrictions imposed on transfer under applicable federal and/or state securities Laws or regulations); (iii) are not subject to any agreements or understandings among any Persons with respect to the voting or transfer thereof; and (iv) other than this Agreement, are not subject to any outstanding subscriptions, options, convertible securities, warrants, calls or other securities granting rights to purchase or otherwise acquire any of such Membership Interests or any commitments or agreements of any character obligating Seller to transfer, redeem or exchange any of such Membership Interests or the beneficial interest thereto. Company does not have, or has never had, any subsidiaries or direct or indirect equity interest in any Person. Company has not made any distribution to any member from an after January 1, 2017.
- h. Anti-Bribery. In relation to the transactions the subject of this Agreement, neither Seller, Company nor any of their Related Parties has made, offered or authorized or will make, offer or authorize any payment, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Government Official or any entity or other person where such payment, gift, promise or other advantage would (i) comprise a Facilitation Payment; or

- (ii) violate the Anti-Bribery and Money-Laundering Laws and Obligations or any other applicable Law.
- i. Litigation. There are no Proceedings pending, threatened in writing, or, to Seller's Knowledge, threatened orally by any Person against Seller or its Affiliates with respect to (i) the Membership Interests, and/or (ii) other than any Proceedings to which Purchaser or its Affiliates is a party thereto, Company or the assets held by Company.
- j. Contracts. To Seller's Knowledge, Company is not a party to any Contract other than Contracts to which Purchaser or one of its Affiliates is a party thereto or has Knowledge thereof. Company is, and to Seller's Knowledge, each counterparty thereto (other than Purchaser or its Affiliates) is, in material compliance with, and not in default in any material respect under, any Contract to which Company is a party.
- k. Taxes. (i) All Tax Returns required to be filed by Company have been timely filed and all such Tax Returns are true, correct and complete in all material respects; (ii) all Taxes due and payable by Company have been paid whether or not shown as due on such Tax Returns; (iii) there are no Encumbrances on any of the assets held by Company that arose in connection with the failure to pay any Tax by Company; (iv) there are no Proceedings, Claims or notices of deficiency pending against or threatened in writing against Company in connection with any unpaid Tax; (v) no Tax Returns of Company are under audit or examination by any Governmental Authority; (vi) there are no agreements or waivers currently in effect that provide for an extension of time with respect to the filing of any Tax Return by Company or the assessment or collection of any Tax from Company; (vii) no written claim has been made by any Governmental Authority in a jurisdiction where Company did not file a Tax Return or pay a Tax directly that it is or may be required to file such a Tax Return or pay such a Tax (as the case may be) in that jurisdiction; and (viii) other than the "EXCO-BG Appalachia Tax Partnership," none of the assets of Company is subject to any tax partnership agreement or provisions requiring a partnership income tax return to be filed under Subchapter K of Chapter 1 of Subtitle A of the Code or any similar state statute.
- l. Compliance with Laws. To Seller's and Company's Knowledge, Company is not, and during the past three years has not been, in material violation of any applicable Laws.
- m. Indebtedness. Company does not have any Indebtedness from or to any other Person, and/or has not made any guarantees for the benefit of any Person.
- n. Bank Accounts; Powers of Attorney. There are no bank accounts or investment accounts maintained by Company as of the Closing Date and there are no valid powers of attorney issued by Company that remain in effect following the Closing

Date, other than powers of attorney for which Purchaser has consented in writing to remain outstanding.

- o. Scope of Activities. Company (i) does not own any property or assets other than property and assets that are subject to that certain Joint Development Agreement, dated as of June 1, 2010, by and among Company, certain Affiliates of Seller, Purchaser and certain Affiliates of Purchaser (as amended from time to time, including pursuant to that certain Amendment to the Joint Development Agreement (Appalachia), dated October 14, 2014) or (ii) has not conducted any business other than the business of owning and operating its assets that are subject thereto.
- p. Employees; Employee Benefits. Company does not currently have, and has never had, any employees, consultants or other individual service providers, and Company has not extended any offer of employment or service to any employee or other individual service provider that is outstanding as of the Closing Date. Company does not maintain or administer, or has never maintained or administered, or does not have any liability or obligation (whether contingent or otherwise) under, any Employee Benefit Plan, and Company does not have any commitment to create or adopt any Employee Benefit Plan.

5. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller, as of the Effective Time and the Closing Date, that:

- a. Organization. Purchaser is a limited liability company duly formed, validly existing and in good standing under the Laws of the jurisdiction of its formation. Purchaser is duly licensed, qualified or otherwise authorized to conduct business and is in good standing under the Laws of each jurisdiction in which it carries on business or owns assets and such qualification is required by Law.
- b. Authority. Purchaser has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by Purchaser, and the performance of all obligations hereunder, have been duly authorized by all necessary action. Purchaser has all requisite power and authority to own and operate its property and to carry on its business as presently conducted by it.
- c. Enforceability. This Agreement has been duly and validly executed and delivered by Purchaser and, assuming due execution and delivery of this Agreement by the other Parties, constitutes the binding obligation of Purchaser enforceable against Purchaser in accordance with its terms.
- d. No Conflict. The execution, delivery, and performance by Purchaser of this Agreement will not, with or without the giving of notice or the lapse of time, or both, (i) violate any provision of law to which Purchaser or its Affiliates is subject, (ii) violate any arbitration or mediation protocol, order, judgment, or decree applicable to Purchaser or its Affiliates, or (iii) conflict with, result in a

breach or default under, or accelerate or permit the acceleration of the performance required by any term or condition of its Organizational Documents or any material Contract to which Purchaser or its Affiliates is subject, a party to or bound by. No consent, approval, authorization or order of any court or Governmental Authority or of any third party is required in connection with the execution, delivery and performance by Purchaser of this Agreement.

- e. Brokers' Fees. Neither Purchaser nor any of its Affiliates has employed or retained any broker, agent or finder in connection with this Agreement or the transactions contemplated herein, or paid or agreed to pay any brokerage fee, finder's fee, commission or similar payment to any person on account of this Agreement or the transactions provided for herein, which fee, commission or payment will constitute an obligation payable by Seller; and Purchaser shall indemnify and hold harmless Seller from any costs, including attorneys' fees, and liability arising from the claim of any broker, agent or finder employed or retained by Purchaser in connection with this Agreement.
- f. Anti-Bribery. In relation to the transactions the subject of this Agreement, neither the Purchaser nor any of its Related Parties has made, offered or authorized or will make, offer or authorize any payment, gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Government Official or any entity or other person where such payment, gift, promise or other advantage would (i) comprise a Facilitation Payment; or (ii) violate the Anti-Bribery and Money-Laundering Laws and Obligations or any other applicable Law.

6. Disclaimer.

- a. Except as and to the limited extent expressly set forth in this Agreement, (i) each of Seller, Purchaser and Company make no representations or warranties, express or implied, and (ii) each of Seller, Purchaser and Company expressly disclaim all liability and responsibility for any representation, warranty, statement or information made or communicated (orally or in writing) to the other Parties.
- b. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS EXPRESSLY REPRESENTED OTHERWISE IN THIS AGREEMENT, SELLER MAKES NO AND EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO (I) TITLE TO THE MEMBERSHIP INTERESTS, OR (II) ANY ESTIMATES OF THE VALUE OF THE MEMBERSHIP INTERESTS OR FUTURE REVENUES GENERATED BY THE MEMBERSHIP INTERESTS, IT BEING EXPRESSLY UNDERSTOOD AND AGREED BY THE PARTIES HERETO THAT PURCHASER SHALL BE DEEMED TO BE OBTAINING THE MEMBERSHIP INTERESTS IN THEIR PRESENT CONDITION, "AS IS" AND "WHERE IS" WITH ALL FAULTS AND DEFECTS. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING DISCLAIMER SHALL NOT PRECLUDE PURCHASER FROM HAVING THE RIGHT TO SUE FOR ANY

BREACH BY SELLER OF ITS REPRESENTATIONS, WARRANTIES OR
COVENANTS CONTAINED HEREIN.

7. Covenants.

- a. Releases. Effective as of the Effective Time, each Party, on behalf of itself and its Affiliates, hereby unconditionally and irrevocably and forever releases and discharges the other Parties and their respective Affiliates, and their respective successors and assigns, and any present or former directors, managers, officers, employees or agents of such Party (each, a “Released Party”), of and from, and hereby unconditionally and irrevocably waives, any and all Claims, debts and liabilities of any kind or character whatsoever, known or unknown, suspected or unsuspected, in contract, direct or indirect, at Law or in equity that such Party (or any of its Affiliates) ever had, now has or ever may have or claim to have against any Released Party, for or by reason of any matter, circumstance, event, action, inaction, omission, cause or thing whatsoever, in each instance, arising prior to the Effective Time and related to the Company, the Company’s assets or the transactions contemplated by this Agreement, other than Claims (if any) related to (i) a breach by any Party of either (A) its respective representations, warranties or covenants contained herein or (B) the terms of the Operative Documents (as defined in the Settlement Agreement) and/or (ii) any claims by any Party or its Affiliates with respect to matters relating to assets lying outside the AMI Area (as defined in the Settlement Agreement).
- b. Records. As soon as reasonably practicable (and in no event later than five days following the Closing Date), Seller shall provide to Purchaser electronic copies of the files (including lease files, land files, wells files, division order files, abstracts, title files, engineering and/or production files), records (including corporate minute books and records and Tax and accounting records), data and maps of Company (collectively, the “Records”) that are in the possession of Seller or any of its Affiliates and that were not provided to Seller or any of its Affiliates by Purchaser or its Affiliates. No later than 30 days following the Closing Date, Seller shall provide to Purchaser hard copies of the Records in the possession of Seller or any of its Affiliates and that were not provided to Seller or any of its Affiliates by Purchaser or its Affiliates.
- c. Rights of Ownership of Membership Interests. From and after the Closing Date, Purchaser shall be entitled to all of the rights of ownership attributable to the Membership Interests (including the right to all production, proceeds of production and other proceeds) prior to, on or after the Effective Time. If Seller (or any of its Affiliates) receives monies belonging to Company or the Purchaser, including proceeds of production, then such amount shall, within five Business Days after the end of the month in which such amounts were received, be paid over to the proper party.

- d. Change of Name. As promptly as practicable following the Closing Date, but in any event within 60 days following the Closing Date, Purchaser shall cause Company's name to be changed to remove any reference to "BG".
8. Limitation on Liability. In no event shall any Party be liable to the other Parties for punitive, exemplary, consequential, or special damages (except where such damages constitute part of a claim of a third person which is indemnified pursuant to the provisions of this Agreement).
9. Investment Intent of Purchaser. Purchaser acknowledges that the Membership Interests have not been, and will not be, registered under the Securities Act of 1933, as amended, or under any state securities laws, and is being sold in reliance upon federal and state exemptions for transactions not involving any public offering. Purchaser is a sophisticated investor with knowledge and experience in business and financial matters.
10. Post-Closing Obligations.
 - a. Taxes Generally. Seller agrees to prepare or make the requisite filings to reflect the Transfer under the Code. Seller will pay the Taxes incurred by it, if any, associated with the Transfer based on the tax effects as the transferor to the Transfer according to the Code and its corporate guidelines. Purchaser will pay the Taxes incurred by it, if any, associated with the Transfer based on the tax effects as the transferee to the Transfer according to the Code and its corporate guidelines.
 - b. Tax Returns. With respect to Tax Returns required to be filed with by Company, Seller shall prepare or cause to be prepared all such Tax Returns that are required to be filed prior to the Closing Date and shall pay all Taxes shown to be due on such Tax Returns. Purchaser shall prepare all Tax Returns that are required to be filed with respect to Company on or after the Closing Date and shall pay all Taxes shown to be due on such Tax Returns.
 - c. Cooperation on Tax Matters. In connection with the preparation of any Company Tax Returns, payment of Taxes related to Company, audit examinations related to Company, and any administrative or judicial proceedings regarding Tax liabilities that are imposed on Seller or Purchaser and related to Company, Seller and Purchaser shall, and shall cause Company to, cooperate fully with each other, including with respect to the furnishing or making available during normal business hours of records, personnel (as reasonably required), books of account, powers of attorney or other materials necessary or helpful for the preparation of such Company Tax Returns, the payment of such Taxes, the conduct of such audit examinations or the defense of Claims by Governmental Authorities as to the imposition of such Taxes.

- d. Tax Characterization. The Parties agree that for U.S. federal income tax purposes and for purposes of state income taxes that follow U.S. federal income tax principles, the transactions herein, taken together with the transactions contemplated by the Settlement Agreement shall be treated in a manner consistent with the principles of Revenue Ruling 99-6, 1999-1 C.B. 432. Accordingly, (i) Seller shall be treated as transferring the its interests in the “EXCO-BG Appalachia Tax Partnership” in satisfaction of the Claims, and (ii) Purchaser shall be treated as receiving a proportionate share of the assets of the “EXCO-BG Appalachia Tax Partnership.”
11. Resignation of Officers. Simultaneously with the execution and delivery of this Agreement, Seller shall deliver resignations, effective immediately following the Closing Date, of all of the officers, directors and managers of Company.
12. Miscellaneous.
 - a. Effect of Waiver or Consent. Any failure by any Party or Parties to comply with any of its or their obligations, agreements or conditions herein contained may be waived by the Party or Parties to whom such compliance is owed by an instrument signed by any such Party or Parties and expressly identified as a waiver, but not in any other manner. No waiver of, or consent to a change in, any of the provisions of this Agreement shall be deemed or shall constitute a waiver of, or consent to a change in, other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in writing.
 - b. Amendment. This Agreement may be amended or modified only by an agreement in writing executed by all Parties and expressly identified as an amendment or modification.
 - c. Successors and Assigns. Neither this Agreement nor any rights, interest, obligations or other parts hereof shall be assignable by any Party without the prior written consent of the other Parties, which consent may be denied in such other Party’s sole discretion. Any assignment in violation of this provision shall be void. Except as otherwise provided herein, this Agreement shall bind and inure to the benefit of and be enforceable by the Parties hereto and their respective successors and assigns.
 - d. Governing Law. EXCEPT TO THE EXTENT THE LAWS OF ANOTHER JURISDICTION WILL GOVERN UNDER CONFLICT OF LAWS PRINCIPLES GOVERNING TRANSFERS OF ASSETS LOCATED IN SUCH OTHER JURISDICTION, THIS AGREEMENT AND THE LEGAL RELATIONS AMONG THE PARTIES SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

- e. Dispute Resolution. The sole and exclusive forum for any disputes arising out of or relating to this Agreement, including, but not limited to, any disputes involving questions of breach, termination, or validity of this Agreement, shall be finally resolved by arbitration in Houston, Texas. The arbitration shall be conducted in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration (“CPR”) Rules. The CPR is the appointing authority. The resulting arbitral award shall be final and binding without right of appeal, and judgment upon such award may be entered in any court having jurisdiction thereof.
- f. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.
- g. Further Assurances. In the event that at any time any further action is necessary to carry out the purposes of this Agreement, the Parties shall take such further action (including the execution and delivery of such further documents and instruments) as any Party may reasonably request.
- h. Counterparts; Facsimile. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one agreement. The Parties agree that any document or signature delivered by facsimile transmission, by PDF through electronic mail, or other electronic means shall be deemed an original executed document for all purposes hereof.
- i. Press Releases. No Party shall (and each shall cause its Affiliates not to) issue any press release or make any statement to the general public relating to the subject matter of this Agreement unless such Party has first consulted with the other Parties and obtained the other Parties’ prior written approval of the text thereof; *provided, however*, that nothing herein shall prevent a Party from publishing such press releases or other statement to the general public as is necessary to satisfy such Party’s obligations at Law or under the applicable rules of any stock or commodities exchange or any court after consultation with the other Parties and such other Parties’ reasonable review and comment.
- j. Certain Definitions. The following terms, as used herein, have the meanings set forth below:

“Affiliate” or “Affiliates” mean, with respect to any Party, any corporation, partnership (including a limited partnership), limited liability company, or other legal entity that directly or indirectly controls, is controlled by or is under common control with such Party; where “control” means the ability to direct the management and policies of a Person through ownership of voting shares or other equity rights, pursuant to a written agreement, or otherwise. The terms “Controls” and “Controlled by” and other derivatives shall be construed accordingly.

“Anti-Bribery and Money-Laundering Laws and Obligations” means (a) the laws relating to combating bribery and corruption, and/or the principles described in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed in Paris on December 17, 1997, which entered into force on February 15, 1999, and the Convention’s Commentaries; (b) the laws relating to combating bribery, corruption and money laundering in the countries of the applicable Person’s place of incorporation, principal place of business, and/or place of registration as an issuer of securities, and/or in the countries of the applicable Person’s ultimate parent company’s place of incorporation, principal place of business, and/or place of registration as an issuer of securities; (c) the United States Foreign Corrupt Practices Act of 1977; (d) the United Kingdom Bribery Act 2010 (as amended from time to time); and (e) and all other applicable national, regional, provincial, state, municipal or local laws and regulations that prohibit the bribery of, or the providing of unlawful gratuities, facilitation payments or other benefits to, any Government Official or any other person.

“Business Day” means any day that is not a Saturday, Sunday or legal holiday in the State of Texas and that is not otherwise a federal holiday in the United States.

“Claims” means any and all claims, demands, loss, liability, liens, judgments, settlements, suits, causes of action, fines, penalties, compliances, costs, and any costs, expenses and fees associated with the investigation, defense and resolution of the foregoing, including without limitation, reasonable attorney’s fees, asserted or prosecuted by or on behalf of a third party. Claims may be based on any theory of tort, contract, strict liability, statutory liability (including, without limitation, fines, penalties, obligations or requirements) or any other basis for liability and shall include, without limitation, any Claims arising, occurring or resulting from, related to or based on the injury, disease, or death of any persons or damage to, loss or destruction of any property, real or personal.

“Closing Date” has the meaning set forth in that certain Agreement Regarding Settlement by and among Purchaser, certain Affiliates of Purchaser, Seller and certain Affiliates of Seller.

“Code” means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“Contract” means any written or oral contract, agreement, purchase order, binding bid, commitment or any other legally binding arrangement, but excluding, however, any lease, deed, easement, Permit or other instrument (other than acquisition or similar sales or purchase agreements) creating, assigning or evidencing an interest in any real property related to or used in connection with the assets of any of Company.

“Employee Benefit Plan” means (a) any “employee benefit plan” (as such term is defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, or any similar plan subject to laws of a jurisdiction outside of the United States), (b) any employment, consulting, advisor or other service agreement or arrangement, (c) any noncompetition, nondisclosure, nonsolicitation, severance, termination, pension, retirement, supplemental retirement, excess benefit, profit sharing, bonus, incentive, deferred compensation, retention, transaction, change in control and similar plan, program, arrangement, agreement, policy or commitment, (d) any compensatory option, restricted unit, performance unit, appreciation right,

deferred unit or other equity or equity-based plan, program, arrangement, agreement, policy or commitment, and (e) any savings, life, health, disability, accident, medical, dental, vision, cafeteria, insurance, flex spending, adoption/dependent/employee assistance, tuition, vacation, paid-time-off, other welfare fringe benefit and any other employee benefit plan, program or arrangement.

“Encumbrance” means any liens, pledges, mortgages, deeds of trust, security interests, leases, licenses, charges, Claims, encroachments, easements or other encumbrances of any kind.

“Facilitation Payments” means payments to a Government Official to facilitate or expedite performance of a routine governmental action which is an action which is commonly performed by such Government Official.

“Government Official” means (a) any official or employee of any government, or any agency, ministry, department of a government (at any level), person acting in an official capacity for a government regardless of rank or position, official or employee of a company wholly or partially controlled by a government (for example, a state owned oil company), political party and any official of a political party; and (b) any candidate for political office, any officer or employee of a public international organization, such as the United Nations or the World Bank, or any immediate family member (meaning a spouse, dependent child or household member) of any of the foregoing.

“Governmental Authority” means any federal, state, county, municipal or local government or any regulatory or administrative agency, department, division, commission, court or arbitral body, or other similar recognized organization or body of any federal, state, tribal, municipal, or local governmental authority or of any foreign government or other similar recognized organization or body exercising similar powers or authority.

“Indebtedness” of any Person means, without duplication, (a) the principal of and, accrued and unpaid interest, prepayment premiums or penalties and fees and expenses in respect of indebtedness of such Person for borrowed money; (b) all obligations (contingent or otherwise) of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable incurred in the ordinary and usual course of business of normal day-to-day operations of the business consistent with past practice); (c) all capitalized lease obligations; (d) all obligations of the type referred to in clauses (a) through (c) of any Persons the payment of which such Person is responsible or liable, directly or indirectly, as obligor, guarantor, surety or otherwise; and (e) all obligations of the type referred to in clauses (a) through (d) of other Persons secured by any Encumbrance on any property or asset of such Person (whether or not such obligation is assumed by such Person).

“Known/Knowledge” whenever a statement regarding the existence (or absence) of any fact in this Agreement is qualified by a phrase such as “to such Party’s Knowledge”, “Known to such Party,” “has Knowledge” or “had actual Knowledge” or any similar qualification, the Parties intend that the only information to be attributed to such Party is information actually known to (i) the person in the case of an individual or (ii) in the case of a corporation (or other business entity), the current officer and/or manager who devotes substantial attention to matters

of such nature during the ordinary course of his or her employment after due inquiry to all Person reporting to such officer or manager. Except as provided in the preceding sentence and unless otherwise specifically provided elsewhere in this Agreement, no Party is represented or obligated to have undertaken a separate investigation in connection with the transaction contemplated in this Agreement to determine the existence (or absence) of any statement or representation qualified by a phrase such as “to such Party’s Knowledge”, “Known to such Party” or “had actual Knowledge” or similar qualification.

“Law” means any applicable statute, writ, law, common law, rule, regulation, ordinance, order, or determination of a Governmental Authority, or any requirement under the common law.

“Organizational Documents” means any charter, certificate of incorporation, articles of association, partnership agreements, limited liability company agreements, bylaws, operating agreements or similar formation or governing documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of a Person, including any amendments thereto.

“Permit” means any permit, license, registration, consent, order, approval, variance, exemption, waiver, franchise, right or other authorization required by or obtained from any Governmental Authority, including for the use, withdrawal, storage, discharge, treatment, injection or disposal of water.

“Person” means any individual, firm, corporation, partnership, limited liability company, incorporated or unincorporated association, joint venture, joint stock company, Governmental Authority or other entity of any kind.

“Proceeding” means any action, arbitration, audit, cause, complaint, charge, hearing, inquiry, investigation, litigation, proceeding, review or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before any Governmental Authority or arbitrator.

“Related Parties” means in relation to a Party: (a) any of its Affiliates; (b) any person employed by that Party or its Affiliates; (c) any director or other officer of that Party or its Affiliates; and (d) any person or entity acting for or on behalf of that Party or its Affiliates.

“Tax” and “Taxes” means all taxes, assessments, charges, duties, fees, levies, imposts or other similar charges imposed by a Governmental Authority, including all income, franchise, profits, capital gains, capital stock, transfer, gross receipts, sales, use, transfer, service, occupation, ad valorem, property, excise, severance, windfall profits, premium, stamp, license, payroll, employment, social security, unemployment, disability, environmental, alternative minimum, add-on, value-added, withholding and other taxes, assessments, charges, duties, fees, levies, imposts or other similar charges of any kind, and all estimated taxes, deficiency assessments, additions to tax, penalties and interest, whether disputed or not and including any obligation to indemnify or otherwise assume or succeed to the foregoing liabilities of any other Person by Law, by Contract or otherwise.

“Tax Returns” means any report, return, election, document, estimated tax filing, declaration or other filing provided to any Governmental Authority including any attachments thereto and amendments thereof.

[Signature page follows.]

IN WITNESS WHEREOF each of the Parties has executed this Agreement to be effective as of the Effective Time.

SELLER:

BG US PRODUCTION COMPANY, LLC

Name:

Title:

COMPANY:

BG PRODUCTION COMPANY (WV), LLC

Name:

Title:

PURCHASER:

EXCO PRODUCTION COMPANY (WV), LLC

Name: Harold L. Hickey

Title: Chief Executive Officer & President

EXHIBIT F

ASSIGNMENT OF EXCO RE-ASSIGNED LEASES

ASSIGNMENT OF EXCO RE-ASSIGNED LEASES

KNOW ALL PERSONS BY THESE PRESENTS:

This Assignment of Oil and Gas Leases (this “Assignment”) executed by **EXCO PRODUCTION COMPANY (PA), LLC**, with a mailing address of 12377 Merit Drive, Suite 1700, Dallas, Texas 75251, hereinafter called “Assignor” and **SWEPI LP**, with a mailing address of P.O. Box 576, Houston, Texas 77001-0576, hereinafter called “Assignee”, dated as of the date of the parties’ acknowledgements below, but effective as to each Lease (as defined below) as of the effective date of each Lease (the “Effective Time”).

WHEREAS, Assignor is the current owner of an undivided fifty percent (50%) interest in and to the oil and gas leases listed on Exhibit A attached hereto and made a part hereof (each individually a “Lease” and collectively the “Leases”); and

WHEREAS, Assignor wishes to assign all of its right, title and interest in and to the Leases, and Assignee agrees to such assignment and the duties contained in the Leases.

NOW THEREFORE in consideration of the sum of TEN and NO/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged for all purposes, Assignor and Assignee agree as follows:

1. As of the Effective Time, Assignor does hereby assign, transfer and convey to Assignee all of Assignor’s right, title and interest in and to the Leases, and Assignee does hereby accept such assignment and agrees to assume all obligations under the Leases.
2. EXCEPT AS PROVIDED IN SECTION 3, THE LEASES ARE ASSIGNED, TRANSFERRED AND CONVEYED TO ASSIGNEE WITHOUT ANY WARRANTY OF ANY KIND, EXPRESS, STATUTORY OR IMPLIED, OR ANY REPRESENTATION OF ANY KIND, INCLUDING WARRANTIES OR REPRESENTATIONS RELATING TO: (A) TITLE AND THE CONDITION OR MERCHANTABILITY OF THE LEASES; (B) THE FITNESS OF THE LEASES FOR ANY PARTICULAR PURPOSE; OR (C) FREEDOM FROM OTHER DEFECTS. BEFORE EXECUTING THIS ASSIGNMENT, THE ASSIGNEE HAS INSPECTED OR HAS BEEN GIVEN THE OPPORTUNITY TO INSPECT THE LEASES AND ACCEPTS THE LEASES ON AN “AS IS,” “WHERE IS,” AND “WITH ALL FAULTS” BASIS AND IN THEIR PRESENT CONDITION. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ASSIGNOR MAKES NO REPRESENTATION OR WARRANTY AS TO THE VALUE, QUALITY, QUANTITY, VOLUME OR DELIVERABILITY OF ANY OIL, GAS OR OTHER MINERALS OR RESERVES (IF ANY) IN, UNDER OR ATTRIBUTABLE TO THE LEASES OR TO THE MERCHANTABILITY OF TITLES OF THE LEASES.
3. Assignor hereby warrants title to its interests in and to the Leases unto Assignee against every person or entity whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Assignor or its affiliates.

4. Assignee shall bear and be subject to its proportionate share of all burdens affecting or burdening Assignor's interest in the Leases which are of record as of the date of this Assignment.
5. Assignor makes no representation as to whether any payments permitted or required by said Leases have been timely and properly made to date, and Assignor shall not be obligated to pay or maintain the same in the future.
6. This Assignment shall be binding upon and shall inure to the benefit of the parties hereto and each of their respective administrators, trustees, receivers, successors and assigns.
7. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
8. EXCEPT TO THE EXTENT THE LAWS OF ANOTHER JURISDICTION WILL GOVERN UNDER CONFLICT OF LAWS PRINCIPLES GOVERNING TRANSFERS OF ASSETS LOCATED IN SUCH OTHER JURISDICTION, THIS ASSIGNMENT AND THE LEGAL RELATIONS AMONG THE PARTIES SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.
9. The sole and exclusive forum for any disputes arising out of or relating to this Assignment, including, but not limited to, any disputes involving questions of breach, termination, or validity of this Agreement, shall be finally resolved by arbitration in Houston, Texas. The arbitration shall be conducted in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration ("CPR") Rules. The CPR is the appointing authority. The resulting arbitral award shall be final and binding without right of appeal, and judgment upon such award may be entered in any court having jurisdiction thereof.
10. THIS ASSIGNMENT MAY NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS CONVEYANCE. THIS NOTICE IS INSERTED HEREIN TO COMPLY WITH THE ACT OF JULY 17, 1957, P.L. 984, § 1 AS AMENDED 1965, SEPT. 10, P.L. 505, NO. 255, § 1.

[signature pages follow]

NOTICE

ASSIGNEE KNOWS THAT IT MAY NOT BE OBTAINING THE RIGHT OF PROTECTION AGAINST SUBSIDENCE RESULTING FROM COAL MINING OPERATIONS AND THAT THE PROPERTIES MAY BE PROTECTED FROM DAMAGE DUE TO MINE SUBSIDENCE BY A PRIVATE CONTRACT WITH THE OWNERS OF THE ECONOMIC INTERESTS IN THE COAL. THIS NOTICE IS INSERTED HEREIN TO COMPLY WITH THE BITUMINOUS MINE SUBSIDENCE AND LAND CONSERVATION ACT OF 1966, AS AMENDED 1980, OCT. 10, P.L. 874, NO. 156 § 1.

ASSIGNEE:

SWEPI LP

By: _____

Attorney-in-Fact

ACKNOWLEDGEMENT

STATE OF TEXAS)
) SS:
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this ____ day of January, 2018, by _____, who acknowledged himself to be the Attorney-in-Fact of SWEPI LP, a Delaware limited partnership, on behalf of the limited partnership.

Notary Public

My commission expires:

(Notarial Seal)

CERTIFICATE OF RESIDENCE

I hereby certify that the address of Assignee is as follows:

SWEPI LP
P.O. Box 576
Houston, Texas 77001-0576

By: _____
Name:
Title:

This Instrument Prepared By:

Grant Ballew
SWEPI LP
150 N. Dairy Ashford Road
Houston, Texas 77079

When Recorded Mail to:

SWEPI LP
150 N. Dairy Ashford Road
Houston, Texas 77079
Attention: Ian Haney

Exhibit A

Attached to and made a part of that certain Assignment of EXCO Re-Assigned Leases by and between EXCO PRODUCTION COMPANY (PA), LLC and SWEPI LP

Lease Number	PIN	LESSOR	Lessee	Lease Effective Date	County	State	Instrument Number
PA00978.019	33-PL05-167	Katharine J. Duchateau	SWEPI LP	2/28/2016	Tioga	PA	201602432
PA00978.020	33-PL05-167	Nancy A. Mclunkin n/k/a Nancy A. Menssen and John W. Menssen	SWEPI LP	2/28/2016	Tioga	PA	201602609
PA02026.026	06-PL04-011	Kathryn J. Moscardini f/k/a Kathryn J. Genung	SWEPI LP	2/22/2016	Tioga	PA	201603979
PA02435.001	29-PL05-010-E-16	Hiram Dejesus and Bianca I. Dejesus	SWEPI LP	2/22/2016	Tioga	PA	201602425
PA02456.001	31-PL03-026	Stephen W. Smith and Shelly F. Smith	SWEPI LP	3/1/2016	Tioga	PA	201602440
PA02456.002	31-PL03-026	William J. Smith and Charlotte A. Smith, Trustees, Or Their Successors In Trust, Under The Smith Living Trust, Dated March 17,1999, and Any Amendments Thereto	SWEPI LP	4/12/2016	Tioga	PA	201603550
PA02459.002	09-PL07-088	James H. and Lucille S. Vandergrift	SWEPI LP	4/25/2016	Tioga	PA	201604257
PA02467.003	14-PL02-018	Valerie K. Dominick	SWEPI LP	2/17/2016	Tioga	PA	201603235
PA02467.007	14-PL02-018	Rodney Heysham	SWEPI LP	2/17/2016	Tioga	PA	201603241
PA02534.001	31-PL03-026-A	William J. Smith and Charlotte A. Smith, Trustees, Or Their Successors In Trust, Under The Smith Living Trust, Dated March 17, 1999, and Any Amendments Thereto	SWEPI LP	4/12/2016	Tioga	PA	201606089
PA02538.001	09-PL07-087	Jeremy J. Flannery and Heather J. Flannery	SWEPI LP	2/24/2016	Tioga	PA	201605660
PA02542.001	33-PL05-136 33-PL05-136-C	Laura E. Gibson aka Laura Boyden and Jamie Boyden	SWEPI LP	2/24/2016	Tioga	PA	201606269
PA02547.001	06-PL04-055 06-PL04-055-A TRACT A	Gordon W. Hollenbaugh and Sandra Hollenbaugh	SWEPI LP	2/26/2016	Tioga	PA	201606243
PA02547.002	06-PL04-055 06-PL04-055-A TRACT A	Thomas G. Palmer and Kathleen S. Palmer	SWEPI LP	2/26/2016	Tioga	PA	201606241
PA02547.003	06-PL04-055 06-PL04-055-A TRACT A	Glenna R. Coutts and David Coutts	SWEPI LP	2/24/2016	Tioga	PA	201606246
PA02547.004	06-PL04-055 06-PL04-055-A TRACT A	Teresa J. Block	SWEPI LP	2/25/2016	Tioga	PA	201606242
PA02547.005	06-PL04-055 06-PL04-055-A TRACT A	Rae L. Palmer-Jones and Frank E. Jones	SWEPI LP	2/28/2016	Tioga	PA	201606244
PA02547.006	06-PL04-055 06-PL04-055-A TRACT A	Timothy L. Palmer and Christina L. Palmer	SWEPI LP	2/24/2016	Tioga	PA	201606429
PA02547.007	06-PL04-055 06-P104-055-A TRACT A	Pattie L. Carter and Donald F. Carter	SWEPI LP	2/24/2016	Tioga	PA	201607024
PA02547.008	06-PL04-055 06-PL04-055-A TRACT A	Juanita Palmer	SWEPI LP	2/28/2016	Tioga	PA	201606245

EXHIBIT A-1

Exhibit A

Attached to and made a part of that certain Assignment of EXCO Re-Assigned Leases by and between EXCO PRODUCTION COMPANY (PA), LLC and SWEPI LP

PA02551.001	08-PL02-057	Marsha Bartlett a/k/a Marcia Bartlett	SWEPI LP	2/28/2016	Tioga	PA	201603971
PA02551.002	08-PL02-057	Cynthia Mertes Wilcox	SWEPI LP	2/25/2016	Tioga	PA	201603969
PA02551.003	08-PL02-057	Bernice Superko	SWEPI LP	2/24/2016	Tioga	PA	201603981
PA02553.001	24-PL03-017-P	John M. Terry	SWEPI LP	2/28/2016	Tioga	PA	201603980
PA02558.001	04-PL03-018-B	Eldred C. Frost and Jean L. Frost	SWEPI LP	2/27/2016	Tioga	PA	201603234
PA02561.001	29-PL04-021-C	Glenna B. Rieppel, a/k/a/ Glenna A. Blair	SWEPI LP	3/22/2016	Tioga	PA	201603302
PA02564.001	09-PL07-090	EDWARD J. STRAIT AND MARGARET L. STRAIT, HUSBAND AND WIFE	SWEPI LP	4/29/2016	Tioga	PA	201603952
PA02565.001	09-PL07-087-06 09-PL07-091 09-PL07-091-B 09-PL07-091-G	Brown 224, LLC	SWEPI LP	2/28/2016	Tioga	PA	201602023
PA02575.001	04-PL03-007-B-02	Brian C. Morral	SWEPI LP	3/15/2016	Tioga	PA	201605120
PA02581.001	29-PL08-016-04 TRACT A 29-PL08-016-04 TRACT B	Jody Brown	SWEPI LP	2/28/2016	Tioga	PA	201604554
PA02581.002	29-PL08-016-04 TRACT A 29-PL08-016-04 TRACT B	Amy L. Godfrey	SWEPI LP	2/28/2016	Tioga	PA	201604555
PA02588.001	09-PL05-030-D	JAMES DEREK HOLLERAN AND SHEILA M. HOLLERAN	SWEPI LP	3/22/2016	Tioga	PA	201604649
PA02590.001	31-PL01-023-09	Christopher D. Hays, and Amanda L Smith	SWEPI LP	3/1/2016	Tioga	PA	201603553
PA02591.001	09-PL05-044-01	HARVEY J. BEITLER AND BARBARA A. BEITLER	SWEPI LP	4/1/2016	Tioga	PA	201606252
PA02593.001	09-PL05-020	STARN, MICHAEL W	SWEPI LP	3/29/2016	Tioga	PA	201604650
PA02597.001	04-PL06-016-A	David J. Volak and Frances M. Volak	SWEPI LP	4/7/2016	Tioga	PA	201605522

EXHIBIT G

TERMINATION AND RELEASE AGREEMENT

TERMINATION AND RELEASE AGREEMENT

This TERMINATION AND RELEASE AGREEMENT (this “**Agreement**”), is made and entered into as of the Closing Date (as defined below), but is effective as of 11:58 p.m. on November 30, 2017 (the “**Effective Time**”), by and among BG US PRODUCTION COMPANY, LLC, a Delaware limited liability company (“**BG**”), BG NORTH AMERICA, LLC, a Delaware limited liability company (“**BGNA**”), BG PRODUCTION COMPANY (PA), LLC, a Delaware limited liability company (“**BGPA**”), BG PRODUCTION COMPANY (WV), LLC, a Delaware limited liability company (“**BGWV**”), EXCO RESOURCES, INC., a Texas corporation (“**EXCO Parent**”), EXCO HOLDING (PA), INC., a Delaware corporation (“**EXCO**”), EXCO RESOURCES (PA), LLC, a Delaware limited liability company (“**Operator**”), EXCO PRODUCTION COMPANY (PA), LLC, a Delaware limited liability company (“**EXCOPA**”), EXCO PRODUCTION COMPANY (WV), LLC, a Delaware limited liability company (“**EXCOWV**”), EXCO OPERATING COMPANY, LP, a Delaware limited partnership (“**EOC**”), and EXCO APPALACHIA MIDSTREAM, LLC, f/k/a Appalachia Midstream, LLC, a Delaware limited liability company (“**Midstream**”). Each of BG, BGNA, BGPA, BGWV, EXCO Parent, EXCO, Operator, EXCOPA, EXCOWV, EOC and Midstream is sometimes referred to herein individually as a “**Terminating Party**” and collectively as the “**Terminating Parties**.”

RECITALS

WHEREAS, SWEPI LP, a Delaware limited partnership (“**SWEPI**”), and certain of the Terminating Parties have entered into that certain Settlement Agreement and Mutual Release, dated as of the Closing Date (the “**Settlement Agreement**”); and

WHEREAS, pursuant to the terms of the Settlement Agreement, each Terminating Party desires to terminate, and considers fulfilled any and all obligations and liabilities under, each of its Applicable Terminated Agreements (as defined below), effective as of the Effective Time, by entering into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Terminating Parties hereby agree as follows:

1. Definitions. The following capitalized terms shall have the following meanings:

“**Affiliate**” or “**Affiliates**” mean, with respect to any Person, any other Person that, directly or indirectly, Controls, is Controlled by or is under common Control with, such specified Person through one or more intermediaries or otherwise.

“**Applicable Terminated Agreements**” means, with respect to any Terminating Party, the Terminated Agreements to which such Terminating Party is a party.

“**BG-Midstream Secondment Agreement**” means that certain Secondment Agreement, dated as of June 1, 2010, by and between BG and Midstream, as amended from time to time.

“**BG-Midstream Services Agreement**” means that certain Services Agreement, dated as of June 1, 2010, by and between BG and Midstream, as amended from time to time.

“BG-Operator Secondment Agreement” means that certain Amended and Restated Secondment Agreement, dated as of October 14, 2014, by and among BG, EOC and Operator, as amended from time to time.

“BG-Operator Services Agreement” means that certain Services Agreement, dated as of June 1, 2010, by and between BGNA and Operator, as amended from time to time.

“BGNA Guaranty” means that certain guaranty of BGNA in favor of EXCOPA, EXCOWV, Operator and EXCO pursuant to that certain Guaranty, dated as of June 1, 2010, as amended from time to time.

“Closing Date” has the meaning set forth in that certain Agreement Regarding Settlement by and among SWEPI and certain of the Terminating Parties and/or their Affiliates.

“Control” means, where used with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise, and the term **“Controlled”** has a correlative meaning.

“EXCO Parent Guaranty” means that certain guaranty of EXCO Parent in favor of BGPA, BGWV, Operator and BG pursuant to that certain Guaranty, dated as of June 1, 2010, as amended from time to time.

“EXCO Performance Guaranty” means that certain guaranty of EXCO Parent in favor of BG pursuant to that certain Performance Guaranty, dated as of May 9, 2010, as amended from time to time.

“Governmental Authority” means any federal, state, county, municipal or local government or any regulatory or administrative agency, department, division, commission, court or arbitral body, or other similar recognized organization or body of any federal, state, tribal, municipal, or local governmental authority or of any foreign government or other similar recognized organization or body exercising similar powers or authority.

“JDA” means that certain Joint Development Agreement, dated as of June 1, 2010, by and among BGPA, BGWV, EXCOPA, EXCOWV and Operator, as amended from time to time, including pursuant to that certain Amendment to the Joint Development Agreement (Appalachia), dated as of October 14, 2014.

“Law” means any applicable statute, writ, law, common law, rule, regulation, ordinance, Order, or determination of a Governmental Authority, or any requirement under the common law.

“Letter Agreement” means that certain JV Letter Agreement, dated as of October 14, 2014, by and among BG, Operator and EOC, as amended from time to time.

“Order” means any order, writ, injunction, decree, award, judgment, ruling, compliance or consent order or decree, settlement agreement, or similar binding legal agreement issued by or entered into with a Governmental Authority.

“Original MITA” means that certain Membership Interest Transfer Agreement, dated as of May 9, 2010, by and between EXCO and BG, as amended from time to time, including pursuant to that certain First Amendment to Purchase and Sale Agreement, dated as of June 1, 2010.

“Person” means any individual, firm, corporation, partnership, limited liability company, incorporated or unincorporated association, joint venture, joint stock company, Governmental Authority or other entity of any kind.

“Terminated Agreements” means, collectively, the BG-Midstream Secondment Agreement, the BG-Operator Secondment Agreement, the BG-Midstream Services Agreement, the BG-Operator Services Agreement, the BGNA Guaranty, the EXCO Parent Guaranty, the EXCO Performance Guaranty, the JDA, the Letter Agreement and the Original MITA.

2. Termination. Each Terminating Party hereby terminates, effective as of the Effective Time, its Applicable Terminated Agreements. Each Terminating Party hereby acknowledges and agrees that from and after such termination of such Applicable Terminated Agreement contemplated by this Section 2, each of such Applicable Terminated Agreements shall be of no further force or effect and, notwithstanding anything to the contrary in any Applicable Terminated Agreement, no provisions of such Applicable Terminated Agreement shall survive the termination of such Applicable Terminated Agreement contemplated by this Section 2; *provided* that (a) the BG-Operator Secondment Agreement shall be terminated only to the extent that such agreement applies to the Appalachian Area (as defined in the BG-Operator Secondment Agreement) and shall remain in full force and effect as such agreement applies to the East Texas/North Louisiana Area (as defined in the BG-Operator Secondment Agreement), (b) any Joint Development Operating Agreement (as defined in the JDA) entered into pursuant to the terms of the JDA by any Terminating Party or any joint operating agreements entered into by any Terminating Party and any third party shall, for the avoidance of doubt, not be deemed to be a “Terminated Agreement” and shall not be terminated pursuant to this Section 2 and (c) the Joint Development Operating Agreement (as defined in the JDA) shall survive and apply to the Subject Oil and Gas Assets (as defined in the JDA) of BGPA, BGWV, EXCOPA, EXCOWV and Operator to the extent a Joint Development Operating Agreement or another joint operating agreement does not burden such Subject Oil and Gas Assets (as defined in the JDA). Each Terminating Party hereby waives any and all requirements contained in its Applicable Terminated Agreements that may restrict or limit the rights of such Terminating Party to terminate such Applicable Terminated Agreements to the extent contemplated by this Section 2.

3. Release. Subject to, and without limiting, Section 2, each Terminating Party, on behalf of itself and its Affiliates, agrees that all obligations and liabilities of the other Terminating Parties (and their Affiliates) under such Terminating Party’s Applicable Terminated Agreements shall be deemed satisfied, and that any and all claims, liabilities, causes of action and/or obligations relating thereto, regardless of when such claims, liabilities, causes of action and/or obligations arose, shall be released effective as of the Effective Time.

4. Release of BG Parent Guaranty. Subject to, and without limiting, Section 2, each of EXCO, EXCOPA and EXCOWV, as beneficiaries, hereby releases BG Energy Holdings

Limited, as guarantor of any and all of its payment obligation under the Guaranty, dated as of May 9, 2010 (as amended).

5. Termination of Tax Partnership. BG, BGNA, BGPA and BGWV acknowledge and agree, on their own behalf and on behalf of their Affiliates, that, pursuant to Section 2.3 of the Tax Partnership Agreement, dated as of June 1, 2010 (as amended), by and among BGPA, BGWV, EXCOPA, EXCOWV, BG, EXCO, Operator and BG LNG Services, LLC, as a result of the transactions contemplated herein, the partnership for U.S. federal income tax purposes formed in connection with entry into the JDA shall cease to exist effective as of the Effective Time.

6. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any facsimile or other electronic copies hereof or signature hereon shall, for all purposes, be deemed originals.

7. Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement shall remain in full force and effect. The Terminating Parties further agree that if any provision contained herein is, to any extent, held invalid or unenforceable in any respect under the Laws governing this Agreement, they shall take any actions necessary to render the remaining provisions of this Agreement valid and enforceable to the fullest extent permitted by Law and, to the extent necessary, shall amend or otherwise modify this Agreement to replace any provision contained herein that is held invalid or unenforceable with a valid and enforceable provision giving effect to the intent of the Terminating Parties to the greatest extent legally permissible in order that the transactions contemplated herein are consummated as originally contemplated to the fullest extent possible.

8. Governing Law; Dispute Resolution.

a. THIS AGREEMENT AND THE LEGAL RELATIONS AMONG THE PARTIES SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

b. The sole and exclusive forum for any disputes arising out of or relating to this Agreement, including, but not limited to, any disputes involving questions of breach, termination, or validity of this Agreement, shall be finally resolved by arbitration in Houston, Texas. The arbitration shall be conducted in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration ("CPR") Rules. The CPR is the appointing authority. The resulting arbitral award shall be final and binding without right of appeal, and judgment upon such award may be entered in any court having jurisdiction thereof.

[Signature pages follow.]

IN WITNESS WHEREOF, each of the Terminating Parties has executed this Agreement to be effective for all purposes as of the Effective Time.

BG:

BG US PRODUCTION COMPANY, LLC

By: _____
Name: _____
Title: _____

BGPA:

BG PRODUCTION COMPANY (PA), LLC

By: _____
Name: _____
Title: _____

BGNA:

BG NORTH AMERICA, LLC

By: _____
Name: _____
Title: _____

BGWV:

BG PRODUCTION COMPANY (WV), LLC

By: _____
Name: _____
Title: _____

EXCO PARENT:

EXCO RESOURCES, INC.

By: _____
Name: Harold L. Hickey
Title: Chief Executive Officer & President

EXCO:

EXCO HOLDING (PA), INC.

By: _____
Name: Harold L. Hickey
Title: Chief Executive Officer & President

EOC:

EXCO OPERATING COMPANY, LP

By: EXCO Partners OLP GP, LLC, its general partner

By: _____
Name: Harold L. Hickey
Title: Chief Executive Officer & President

OPERATOR:

EXCO RESOURCES (PA), LLC

By: _____
Name: Harold L. Hickey
Title: President & Chief Executive Officer

MIDSTREAM:

EXCO APPALACHIA MIDSTREAM, LLC

By: _____
Name: Harold L. Hickey
Title: President & Chief Executive Officer

EXCOPA:

EXCO PRODUCTION COMPANY (PA), LLC

By: _____
Name: Harold L. Hickey
Title: Chief Executive Officer & President

EXCOWV:

EXCO PRODUCTION COMPANY (WV), LLC

By: _____
Name: Harold L. Hickey
Title: Chief Executive Officer & President